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TITLE 3—THE PRESIDENT

EXECUTIVE ORDER 10358

OBSERVANCE OF HOLIDAYS BY GOVERNMENT AGENCIES

By virtue of the authority vested in me as President of the United States, it is hereby ordered as follows:

SECTION 1. This order shall apply to all executive departments, independent agencies, and Government-owned or Government-controlled corporations, including their field services.

SEC. 2. As used in this order:

(a) "Holiday" means the first day of January, the twenty-second day of February, the thirtieth day of May, the fourth day of July, the first Monday of September, the eleventh day of November, the fourth Thursday of November, the twenty-fifth day of December, or any other calendar day designated as a holiday by Federal statute or Executive order.

(b) "Workday" means those hours which comprise in sequence the employee's regular daily tour of duty within any 24-hour period, whether falling entirely within one calendar day or not.

SEC. 3. Whenever a holiday falls on a Sunday, Federal offices and establishments shall be closed to public business on the following Monday.

SEC. 4. (a) Any employee whose basic workweek does not include Sunday and who would ordinarily be excused from work on a holiday falling within his basic workweek shall be excused from work on the next workday of his basic workweek whenever a holiday falls on Sunday.

(b) Any employee whose basic workweek includes Sunday and who would ordinarily be excused from work on a holiday falling within his basic workweek shall be excused from work on the next workday of his basic workweek whenever a holiday falls on a day that has been administratively scheduled as his "regular" weekly non-workday in lieu of Sunday.

SEC. 5. Any employee who would ordinarily be excused from work on a holiday falling within his basic workweek shall be excused from work on the next workday of his basic workweek whenever the first Monday of September or the fourth Thursday of November, or any other holiday which always occurs on a specific day of the calendar week (other than Sunday), falls on a day outside the employee's regular basic workweek.

SEC. 6. Any employee whose workday covers portions of two calendar days and who would, except for this section, ordinarily be excused from work scheduled for the hours of any calendar day on which a holiday falls, shall instead be excused from work on his entire workday which commences on any such calendar day.

SEC. 7. In administering the provisions of law relating to pay and leave of absence, the workdays referred to in sections 4, 5, and 6 shall be treated as holidays in lieu of the corresponding calendar holidays.

SEC. 8. This order shall become effective sixty days after the date hereof, and shall supersede Executive Order No. 9636[1] of October 3, 1945, entitled "Observance by Government Agencies of Holidays Falling on Sundays".

HARRY S. TRUMAN

THE WHITE HOUSE,
June 9, 1952.

[F. R. Doc. 52-6445; Filed, June 9, 1952; 3:39 p. m.]

EXECUTIVE ORDER 10359

AMENDING EXECUTIVE ORDER NO. 10161, AS AMENDED, WITH RESPECT TO CERTAIN PLANT FIBERS

By virtue of the authority vested in me by the Constitution and statutes, including the Defense Production Act of 1950, as amended (50 U. S. C. App. 2061 et seq.), and as President of the United States and Commander in Chief of the armed forces of the United States, it is ordered as follows:

SECTION 1. Sections 303, 307, 310 (b), and 311 (b) of Executive Order No. 10161 of September 9, 1950 (15 F. R. 6105), as amended, are hereby amended to read, respectively, as follows:

"SEC. 303. The Defense Materials Procurement Administrator is hereby au-

[1] 10 F. R. 12543.

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thorized and directed to purchase and make commitments to purchase metals, minerals, and other materials, for Government use or resale, as authorized by and subject to the provisions of section 303 of the Defense Production Act of 1950, as amended: *Provided*, That the Secretary of Agriculture may also exercise the said functions under section 303 of the said Act, as amended, with respect to food, and with respect to plant fibers (except abaca) not included in the definition of food to the extent that the procurement of such fibers involves the encouragement and development of sources of supply within the United States and its Territories and possessions."

"SEC. 307. The functions conferred upon the Defense Materials Procurement Administrator by sections 303 to 306, inclusive, of this Executive order shall be carried out in accordance with programs certified to the said Administrator by the Defense Production Administrator: *Provided*, That any exercise by the Defense Materials Procurement Administrator of the functions provided for in section 303 hereof with respect to food shall be carried out in accordance with programs certified to him by the Secretary of Agriculture: *And provided further*, That the functions conferred upon the Secretary of Agriculture by section 303 hereof with respect to plant fibers (except abaca) not included in the definition of food shall be carried out in accordance with programs certified to the Secretary by the Defense Production Administrator."

"SEC. 310. * * *

"(b) Loans under section 310 (a) hereof (1) shall be made upon such terms and conditions as the Corporation shall determine, (2) shall be made only after the Corporation has determined in each instance that financial assistance is not available on reasonable terms from private sources or from other governmental sources, and (3) except in the case of working capital loans (involving no more than minor expansion of capacity which is incidental to a loan for working capital) shall be made only upon certificate of essentiality of the loan, which certificate shall be made (a) by the Secretary of Agriculture with respect to food and food facilities, and with respect to plant fibers (except abaca) not included in the definition of food, and facilities therefor, in instances involving the encouragement and development of sources of supply of such fibers within the United States and its Territories and possessions and to the extent that such loans are a part of and in accordance with the terms of a program certified by the Defense Production Administrator pursuant to section 307 hereof, and (b) by the Defense Production Administrator with respect to all other materials and facilities."

"SEC. 311. * * *

"(b) Loans under section 311 (a) hereof (1) shall be made upon such terms and conditions as the said Bank shall determine, (2) shall be made only after the Bank has determined in each instance that financial assistance is not available on reasonable terms from private sources and that the loan involved cannot be made under the provisions of and from funds available to the Bank under the Export-Import Bank Act of 1945, as amended, and (3) shall be made only upon certificate of essentiality of the loan, which certificate shall be made (a) by the Secretary of Agriculture with respect to food and food facilities, and with respect to plant fibers (except abaca) not included in the definition of food, and facilities therefor, in instances involving the encouragement and development of sources of supply of such fibers within the United States and its Territories and possessions and to the extent that such loans are a part of and in accordance with the terms of a program certified by the Defense Production Administrator pursuant to section 307 hereof, and (b) by the Defense Production Administrator with respect to all other materials and facilities."

SEC. 2. To the extent that provisions of any prior Executive order are inconsistent with the provisions of this order, this order shall prevail, and any such prior provisions are amended accordingly. All orders, regulations, rulings, certificates, directives, and other actions relating to any function affected by this order shall remain in effect except as they are inconsistent herewith or are hereafter amended, modified, or revoked under proper authority.

HARRY S. TRUMAN

THE WHITE HOUSE,
June 9, 1952.

[F. R. Doc. 52-6446; Filed, June 9, 1952; 3:39 p. m.]

RULES AND REGULATIONS

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 25—FEDERAL EMPLOYEES' PAY REGULATIONS

IDENTIFICATION OF HOLIDAYS

EDITORIAL NOTE: For order superseding Executive Order 9636, cited in § 25.241 with respect to identification of holidays, see Executive Order 10358, *supra*.

TITLE 6—AGRICULTURAL CREDIT

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

Subchapter C—Loans, Purchases, and Other Operations

[1952 C. C. C. Grain Price Support Bulletin 1, Supp. 1, Rice]

PART 601—GRAINS AND RELATED COMMODITIES

SUBPART—1952-CROP RICE LOAN AND PURCHASE AGREEMENT PROGRAM

A price support program has been announced for the 1952 crop of rice. The 1952 C. C. C. Grain Price Support Bulletin 1 (17 F. R. 3521) issued by the Commodity Credit Corporation and containing the general requirements with respect to price support operations for grains and related commodities produced in 1952, is supplemented as follows:

SEC.

601.1851 Purpose.
601.1852 Availability of price support.
601.1853 Eligible rice.
601.1854 Warehouse receipts.
601.1855 Determination of quantity.
601.1856 Determination of quality.
601.1857 Maturity of loans.
601.1858 Support rates.
601.1859 Warehouse charges.
601.1860 Settlement.

AUTHORITY: §§ 601.1851 to 601.1860 issued under sec. 4, 62 Stat. 1070, as amended; 15 U. S. C. Sup., 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 101, 401, 63 Stat. 1051, 1054; 15 U. S. C. Sup., 714c, 7 U. S. C. Sup., 1441, 1421.

§ 601.1851 *Purpose.* Sections 601.1851 to 601.1860 state additional specific requirements which, together with the general requirements contained in the 1952 C. C. C. Grain Price Support Bulletin 1, 17 F. R. 3521, apply to loans and purchase agreements under the 1952-Crop Rice Price Support Program.

§ 601.1852 *Availability of price support*—(a) *Method of support.* Price support will be made available through farm-storage and warehouse-storage loans and through purchase agreements.

(b) *Area.* Farm-storage and warehouse-storage loans and purchase agreements will be available on eligible rice produced in the States of Arizona, Arkansas, California, Louisiana, Mississippi, Missouri, and Texas.

(c) *Where to apply.* Application for rice price support must be made at the office of the PMA county committee which keeps the farm-program records for the farm.

(d) *When to apply.* Loans and purchase agreements will be available from the time of harvest through January 31, 1953, and the applicable documents must be signed by the producer and delivered to the county committee not later than such date.

(e) *Eligible producer.* (1) An eligible producer shall be any individual, partnership, association, corporation, or other legal entity producing rice in 1952 or having an interest in a 1952 rice crop as landlord, tenant, or sharecropper, and includes a person owning and operating his own farm, a tenant operating a farm rented for cash, a tenant operating a farm under a crop-share lease, contract, or agreement, a landlord leasing to share tenants, and an irrigation company furnishing water for a share of the crop.

(2) Cooperative marketing associations of producers shall be deemed to be eligible producers for warehouse-storage loans and purchase agreements on eligible rice produced by eligible producer members: *Provided*, That:

(i) The terms and conditions under which producer members' rice is marketed through the association are set out in a Uniform Marketing Agreement and are applicable to all rice delivered to the association by producer members.

(ii) The major part of the rice marketed by the association is produced by members who are eligible producers.

(iii) The members share proportionately in the proceeds from marketings according to the quantity and quality of rice each delivers to the association.

(iv) The association has authority to obtain a loan on the security of the rice and to give a lien thereon as well as authority to sell such rice.

(3) The following special conditions of price support shall apply to cooperative marketing associations of producers:

(i) The association must maintain a record of the total quantity of rough rice acquired by or delivered to the association from all sources, and a separate record of the quantity of eligible rice delivered to the association by eligible producer members. The books of the association shall be made available to CCC for inspection at all reasonable times through May 1, 1953.

(ii) Rice placed under loan by the association must be stored separately from all other rice and kept separately stored until redeemed from the loan or delivered to CCC.

(iii) Rice delivered by the association to CCC under purchase aggreements must have been physically segregated at all times from any rice under loan, any rice obtained from other than producer members, and from any ineligible rice. Where a member and a nonmember have a joint interest in the growing crop, this requirement shall apply from the time of physical division of the harvested crop.

§ 601.1853 *Eligible rice.* At the time the rice is placed under loan or delivered under a purchase agreement, it must meet the following requirements:

(a) The rice must have been produced in 1952 in the States of Arizona, Arkansas, California, Louisiana, Mississippi, Missouri, or Texas.

(b) Except in the case of eligible cooperative marketing associations, the beneficial interest in the rice must be in the person tendering the rice for loan or for delivery under a purchase agreement, and must always have been in him, or must have been in him and a former producer whom he succeeded before the rice was harvested. In the case of cooperative marketing associations, the beneficial interest in the rice must have been in the producer members who delivered the rice to the association and must always have been in them or in them and former producers whom they succeeded before the rice was harvested.

(c) In accordance with the Official Standards of the United States for Rough Rice, the rice may be of any class other than "mixed rough rice."

(d) The rice must (1) grade U. S. No. 5 or better (rice of special grades shall not be eligible rice); and (2) contain not more than 14 percent moisture.

(e) If offered as security for a farm-storage loan, the rice must have been stored in the granary at least 30 days prior to its inspection for measurement, sampling, and sealing, unless otherwise approved by the PMA State committee.

§ 601.1854 *Warehouse receipts.* Warehouse receipts, representing rice in approved warehouse storage to be placed under loan or delivered under a purchase agreement, must meet the requirements below:

(a) Warehouse receipts must be issued in the name of the producer, or cooperative marketing association, must be properly endorsed in blank so as to vest title in the holder, and must be issued by a warehouse approved under the Uniform Rice Storage Agreement (CCC Form 26). The receipts must be negotiable and must cover eligible rice actually in store in the warehouse.

(b) In order to be acceptable under the loan program, each warehouse receipt, or the accompanying supplemental certificate, must contain a statement that the rice is insured in accordance with CCC Form 26, "Uniform Rice Storage Agreement," and if such insurance was not effective as of the date of deposit of the rice in the warehouse, the warehouseman must certify as to the effective date of the insurance and that the rice is in the warehouse and undamaged. The insurance on rice with respect to which the warehouseman guarantees quality and quantity (hereinafter called commingled rice) must be obtained by the warehouseman. Insurance on rice with respect to which the warehouseman does not guarantee quality and quantity (hereinafter called identity-preserved rice) must be obtained by either the producer or the warehouseman. If the in-

surance is obtained by the producer, it must be assigned to the warehouseman, with the consent of the insurance company, before a loan will be made and the warehouseman must also certify that the insurance has been assigned to him with the consent of the insurance company. Insurance is not required in order for warehouse receipts to be purchased under the purchase agreement program.

(c) Each warehouse receipt must be accompanied by a supplemental certificate (CCC Rice Form B, Supplement) executed in duplicate and properly identified with the warehouse receipt. In addition to other information required on the supplemental certificate, the warehouse receipt or the supplemental certificate must show weight, class, grade, milling yield, moisture, and any of the following grade factors which determined the assigned grade: Total seeds and heat damaged kernels, heat damaged kernels and objectionable seeds, red rice and damaged kernels, chalky kernels, rice of contrasting classes. If the rice grades U. S. No. 1, no grade factors need be shown, and for rice grading below U. S. No. 1, only the factor(s) which caused the rice to receive the assigned grade need be shown. When the warehouse receipt represents rice stored on a commingled basis, the supplemental certificate must be executed by the warehouseman. When the warehouse receipt represents rice stored on an identity-preserved basis, the producer must execute the supplemental certificate and his responsibility will be as stated in § 601.1515 of the 1952 C. C. C. Grain Price Support Bulletin 1.

(d) A separate warehouse receipt must be submitted for each class, grade, and milling yield of rice.

(e) Warehouse receipts must carry an endorsement by the warehouseman in substantially the following form:

Warehouse charges, except receiving and loading out charges, on the rice represented by this warehouse receipt have been paid or otherwise provided for through April 30, 1953, and a lien for such charges will not be claimed by the warehouseman from CCC or any subsequent holder of this warehouse receipt.

§ 601.1855 *Determination of quantity.* (a) Loans and purchase agreements shall be made on the basis of rough rice expressed in units of 100 pounds, and fractional units of less than 100 pounds shall be disregarded. The quantity of rice placed under farm-storage loan may be determined either by weight or by measurement. The quantity of rice placed under a warehouse-storage loan or delivered under a farm-storage loan or under a purchase agreement shall be determined by weight.

(b) In determining the quantity of sacked rice by weight, a deduction of ¾ of a pound for each 100 pounds of gross weight will be made.

(c) When the quantity of rice is determined by measurement, a cubic foot of rice testing 45 pounds per bushel, shall be 36 pounds. The quantity determined will be the following percentages of the quantity determined for 45 pounds rice:

For rice testing	*Percent*
45 pounds or over	100
44 pounds or over, but less than 45 pounds	98
43 pounds or over, but less than 44 pounds	96
42 pounds or over, but less than 43 pounds	93
41 pounds or over, but less than 42 pounds	91
40 pounds or over, but less than 41 pounds	89

Proportionately lower for rice testing below 40 pounds.

(d) In cases where the warehouseman guarantees the quantity and quality of rice shown on the warehouse receipt or the supplemental certificate, loans will be made on 100 percent of the quantity of rice determined in accordance with this section. In all other cases, loans will be made on 95 percent of the quantity of rice so determined, and at the time of delivery, settlement will be made on the basis of the actual quantity and quality of rice delivered.

§ 601.1856 *Determination of quality.* The class, grade, grade factors, milling yield and all quality factors shall be determined in accordance with the methods set forth in the official United States Standards for Rough Rice.

(a) At the time of making a loan on farm-stored rice or identity-preserved warehouse-stored rice, the county committee will draw a representative sample of each lot of rice and obtain an official (Federal or Federal-State) sample inspection certificate for each such lot. Sample inspection fees incurred by the county committee in connection with the making of loans will be for the account of CCC.

(b) Where quality and quantity are guaranteed by the warehouseman under a warehouse-storage loan, the quality and quantity shown on the warehouse receipt or supplemental certificate shall be the basis for settlement with the producer. In all other cases, the producer shall, prior to delivery of the rice to CCC, submit an official Federal or Federal-State lot inspection certificate dated subsequent to April 15, 1953. Lot inspection fees incurred in connection with the delivery of rice to CCC will be for the account of the producer.

§ 601.1857 *Maturity of loans.* Loans mature on demand but not later than April 30, 1953.

§ 601.1858 *Support rates.* Loans will be made and rice delivered under purchase agreements will be purchased at the support rates set forth in this section.

(a) *Basic rates.* The basic support rate for 100 pounds of rough rice in approved storage and with all accrued charges, except receiving and loading out charges, paid through April 30, 1953, shall be computed as follows:

Multiply the yield (in pounds per hundredweight) of head rice by the applicable value factor for head rice (as shown in the table below according to class). Similarly, multiply the difference between the total yield and head rice yield in pounds per hundredweight) by the applicable value factor for broken rice. Add the results of these two computations to obtain the basic loan or purchase rate per 100 pounds of rough rice and express such rate in dollars and cents, rounded to the nearest whole cent.

VALUE FACTORS FOR HEAD AND BROKEN RICE[1]

Rough rice class	Head rice	Broken rice
Rexoro (including Rexark), Patna, Blue Bonnet, and Nira		
Fortuna, R. N., and Edith		
Blue Rose (including Improved Blue Rose, Greater Blue Rose, Kamrose, and Arkrose), Magnolia, Zenith, Prelude, and Lady Wright		
Early Prolific, Pearl, Calady, Calrose, and other classes		

[1] The value factors will be published as an amendment to this section shortly after Aug. 1, 1952.

(b) *Premiums and discounts.* The basic support rates, determined under paragraph (a) of this section, per 100 pounds of rough rice shall be adjusted by the following premium or discount for the grade applicable to an individual lot of rough rice:

Grade U. S. No. 1: Premium of 20 cents per 100 pounds.

Grade U. S. No. 2: Premium of 10 cents per 100 pounds.

Grade U. S. No. 3: Discount of 5 cents per 100 pounds.

Grade U. S. No. 4: Discount of 20 cents per 100 pounds.

Grade U. S. No. 5: Discount of 40 cents per 100 pounds.

§ 601.1859 *Warehouse charges.* There shall be no storage allowance on rice placed under loan or delivered to CCC under a purchase agreement. CCC will not assume any warehouse charges accruing prior to May 1, 1953 except receiving and loading out charges on rice delivered to CCC, and warehouse receipts representing rice under loan or delivered to CCC under a purchase agreement must be endorsed by the warehouseman as provided in § 601.1854 (e).

§ 601.1860 *Settlement*—(a) *Farm-storage and identity-preserved warehouse-storage loans.* (1) In the case of rice delivered to CCC from farm-storage or identity-preserved warehouse storage under the loan program, settlement will be made at the applicable support rate for the grade and quality of the total quantity of rice delivered. The producer shall, at his expense, furnish to the county committee at the time of delivery official weight certificates and Federal or Federal-State lot inspection certificates dated subsequent to April 15, 1953. If the producer fails to furnish such weight and inspection certificates and does not pay off his loan, the county committee shall order the rice weighed up and inspected, pay the costs of such weighing and inspection, and charge such costs to the producer when making settlement.

(2) If the rice under farm-storage or identity-preserved warehouse-storage

loan is, upon delivery, of a grade for which no support rate has been established, the settlement value shall be the support rate established for the grade and milling yield of the rice placed under loan, less the difference, if any, at the time of delivery, between the market price for the grade and milling yield placed under loan and the market price of the rice delivered, as determined by CCC.

(b) *Purchase agreements.* Eligible rice will be purchased at the support rate applicable to the grade and yield of the rice determined on the basis of an official Federal or Federal-State lot inspection certificate dated subsequent to April 15, 1953.

Issued this 6th day of June 1952.

[SEAL] ELMER F. KRUSE,
Vice President,
Commodity Credit Corporation.

Approved:

HAROLD K. HILL,
Acting President,
Commodity Credit Corporation.

[P. R. Doc., 52-6412; Filed, June 10, 1952; 8:56 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 117, Revision 1]

CPR 117—MALT BEVERAGES

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Revision 1 of Ceiling Price Regulation 117 is hereby issued.

STATEMENT OF CONSIDERATIONS

This revision of Ceiling Price Regulation 117 makes a number of changes in that regulation. For the most part, these changes are technical in nature and intended to make the regulation conform more closely with trade practices. Generally, those changes which have to do with methods of determining prices for items not sold during the base period will have no effect upon the level of prices. Provision for a pass-through of the recent freight increase and a revised method of determining retailers ceilings may result in a price increase of roughly one cent per container in some localities. The changes applicable to brewers, wholesalers and retailers will be discussed separately.

BREWERS

A revised section 22 and a new section 23 provide methods for computing ceilings for new case and container sizes and types of items. In general section 22 provides that if a brewer merely changes the case size (or the barrel size) of an item for which he has a ceiling price, his ceiling price for the new item is to bear the same proportion to his ceiling price for the old item as the case sizes (or barrel sizes) of the two items bear to each other. If the brewer sells an item whose container size or container type differs from those of his other items of the same brand and type, other alternative methods of determining ceilings for that new item are provided. These methods reflect the industry's customary pricing techniques.

To avoid the necessity of applying for ceiling prices in those cases where brewers change the labels without otherwise changing the items, this revision provides that a brewer who produces a malt beverage under a new label may regard that malt beverage as the same item as the malt beverage for which he has a ceiling price, so long as the newly labeled item's quality is not inferior to that of the old. If the brewer chooses to use the ceiling price of a "comparable item" he must notify his wholesalers and retailers (and each wholesaler must, in turn, notify his retailers) that their ceiling prices for the newly labeled item are identical with their ceiling prices for the "comparable item."

This revision also provides that a brewer may determine his ceiling prices to wholly owned distributing outlets or to independent sole distributors, pursuant to the method customarily used by him to determine his selling prices to this class of purchaser. Because brewers' prices to such purchasers have no effect on resale prices to retailers and consumers, there is no reason to change the customary method by which brewers' prices to those purchasers have been determined.

Section 28 (formerly numbered 24) now requires brewers to send to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., a copy of the ceiling price notice applicable to each class of purchaser to whom they sell and, if not already included in the notice, certain other related information. The notices and information submitted will aid the OPS in processing brewers' applications for ceiling prices for new items, and in solving other administrative problems which arise under CPR 117, Revision 1.

WHOLESALERS

The methods of determining ceiling prices for wholesalers who did not sell an item of a particular case and container size and container type during the base period have also been revised to conform more closely to customary industry pricing practices.

In general these new methods contained in sections 32 and 33 relate the ceiling price of a new item to ceiling prices already established by the seller or by a competitive wholesaler rather than by applying a markup to his acquisition cost.

RETAILERS

The provisions of CPR 117 which apply to retailers are also being extensively modified by this revision. Previously, retailers determined their ceiling prices for malt beverages by adding to the highest prices at which they sold an item during December 1951, the actual increase in his supplier's selling price between December 1951 and March 24, 1952, plus a markup on that increase. Two defects in this method have since become evident.

First, because the November 1, 1951 increase in Federal excise tax amounted to only 7.2 cents per case of 24 12-ounce containers (by far the largest volume item in the industry), which is less than ½ cent per container, retailers were, as a practical matter, unable to reflect that increase in their December 1951 GCPR prices for a single container.

Second, it had been assumed that brewers and wholesalers would, before March 24, 1952, increase their selling prices to retailers to their full CPR 117 ceilings. Were this done retailers' ceilings would then reflect the total increase in their suppliers' ceilings. Provision for the recalculation of retail ceiling prices was, therefore, not included in the regulation. However, in some cases, brewers and wholesalers did not increase their selling prices to the level of their ceiling prices prior to the end of March. In such cases, retailers' previous ceilings were based upon their suppliers' selling prices which were subject to later adjustment. Consequently, unless a recalculation of retailers' ceiling prices is provided for, these retailers would absorb subsequent increases in their suppliers' selling prices to them. This absorption is prohibited by section 402 (k) of the Defense Production Act of 1950, as amended.

This revision, therefore, provides that retailers are to adjust their highest October 1951 (rather than December 1951) ceiling prices to reflect cost increases incurred following that month. It also provides that a retailer may recalculate his ceiling price whenever his supplier increases the price of an item to him, and must recalculate his ceiling price whenever his supplier decreases the price of an item to him. Recalculation is also provided for items which were not sold before November 1, 1951, and which are, therefore, initially priced under other sections of the regulation.

In addition, the methods by which retailers are to establish ceiling prices for new items not sold during the base period have been revised. Changes in technique are similar to those previously mentioned with respect to wholesalers. They are intended to maintain the customary uniformity of prices among competitive retailers who operate the same kinds of businesses.

The requirement that retailers mail to the OPS reports of the competitors' ceiling prices they adopt has been found unnecessary and, therefore, is discontinued.

SALES TO HOME DISTRIBUTORS AND DELIVERED SALES TO CONSUMERS BY ALL SELLERS

The type of distributor found primarily in New York State and called a "wagon vendor" in CPR 117, is more commonly known in the trade as a "home distributor." All references to those sellers have been changed accordingly. "Home distributors" may engage in two types of operations. First, they may buy from breweries at prices applicable to wholesalers and sell to both retailers and consumers. Second, they may buy from certain breweries at prices

slightly lower than their prices to retailers (but not as low as the breweries' prices to ordinary wholesalers) and resell only to consumers (except for occasional and incidental sales to retailers, private clubs, etc.). In this latter case, they have customarily been considered by the brewer as a different class of purchaser from the wholesaler who buys at an f. o. b. wholesale price and sells primarily to retailers. In fact, in the past, these brewers almost invariably increased their prices to retailers and to "home distributors" by the same dollar-and-cent amount, thus maintaining a constant dollar-and-cent differential between their prices to retailers and their prices to "home distributors."

Since, in the first situation described above, the "home distributor" has historically been treated by the brewer as an ordinary wholesaler, the method established in CPR 117 for the determination of such a brewer's ceiling prices for sales to him is left undisturbed. However, to deal effectively with the second situation, section 24 (a) now provides that where a brewer, during the base period, treated "home distributors" as a class of purchaser different from ordinary wholesalers the brewer is to determine his ceiling prices to such distributors just as he would determine his ceiling prices to retailers. Section 24 (a), therefore, assures that that brewer's customary dollar-and-cent differentials between his prices to retailers and his prices to "home distributors" will be maintained.

To the extent that the "home distributor" sells to purchasers other than consumers, or to consumers on an f. o. b. basis, his operations are similar to those of an ordinary wholesaler. Therefore, he is to determine his ceiling prices for those sales under the provisions of this regulation which apply to wholesalers. However, when "home distributors" or any other sellers (brewers, brewer's branches, wholesalers, etc.) sell to consumers on a delivered basis they are performing a retailer's function and incurring additional expenses similar to those incurred by retailers. Consequently, sections 24 (b) and 35 provide for the calculation of ceiling prices for sales to consumers on a delivered basis under the provisions which apply to retailers.

MISCELLANEOUS

Minor changes have been made in sections 36 (formerly 33) and 53, relating to reporting of cost information, and in sections 71 and 73.

Section 71 permits the addition of deposit charges for cases and containers provided they do not exceed the particular seller's own cost for the cases and containers. In some areas, however, sellers have customarily used uniform deposit charges of standard amounts irrespective of their own costs. To permit this practice to be continued in those cases where it is not in conflict with the principles of price control, section 71 now authorizes OPS to prescribe uniform deposit charges for any group of sellers.

A general increase in interstate railroad freight rates has recently been authorized by the Interstate Commerce Commission. It is likely that motor carrier freight rates (as well as interstate railroad freight rates) may also be increased. Data presently available indicate that the effect of these freight rate increases would be to reduce malt beverage wholesalers' earnings below the minimum level required by the industry earnings standard. Failure to authorize price adjustments to reflect these freight increases would also be likely to disrupt marketing practices. Therefore, section 78 now provides that wholesalers may increase their ceiling prices by the dollar-and-cent amount of any increases in freight costs actually incurred by them after January 1, 1952, but must also decrease their ceiling prices by the amount of any decreases, after January 1, 1952, in freight costs included in their ceiling prices. Furthermore, to prevent market disruptions, the provisions of that section are made applicable to those few brewers who sell on a delivered basis. Retailers are not affected by this section since retailers are permitted to recalculate their ceiling prices on the basis of changes in "cost of acquisition" (which includes freight costs).

Other minor changes include provisions relating to (a) the rounding of fractional cents (section 70); (b) transfers of businesses (section 86); (c) on-premise licensees selling for off-premise consumption (section 60); (d) the definitions of "cost of acquisition" (section 90 (c) (1)) and of "case size" (section 90 (b) (3)). The last of these refers especially to "special pack" cases which are considered as different items from standard cases with the same number of containers.

FINDINGS OF THE DIRECTOR

In the formulation of this revised regulation, the Director of Price Stabilization has consulted with industry representatives, including trade association representatives, to the extent practicable and has given full consideration to their recommendations. In the Director's judgment the ceiling prices established by this revised regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended.

Every effort has been made to conform this revised regulation to existing business practices, cost practices or methods, or means or aids to distribution. Insofar as any provisions of this revised regulation may operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, such provisions are found by the Director of Price Stabilization to be necessary to prevent circumvention or evasion of this revised regulation.

As far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in the furtherance of the objectives of the Defense Production Act of 1950, as amended; to parity prices and the other minimum requirements of the law, including prices prevailing during the period from May 24, 1950, to June 24, 1950, inclusive; to the standards set forth in sections 401 (d) (4) and 402 (k) of the act; and to relevant factors of general applicability.

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APPENDIX A

Table V. Retailer's adjustment factors for case sales and for sales of individual containers of imported and domestic malt beverages.

AUTHORITY: Sections 1 to 100 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 806, as amended; 50 U. S. C. App. Sup. 2101–2110, E. O. 10161, Sept 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

ARTICLE I—INTRODUCTORY PROVISIONS

SECTION 1. *What this regulation does.* This regulation provides methods by which all sellers of imported and domestic malt beverages for off-premise consumption (except importers who sell other than to retailers) are to determine their ceiling prices. If you are one of those sellers, you are to determine your ceiling prices under whichever of the following sections apply to you: Brewers, sections 20 through 28; wholesalers, sections 30 through 38; brewers' branches, section 40; importers selling to retailers, section 41; home distributors, section 42; retailers, sections 50 through 55; and "on-premise licensees" selling for off-premise consumption, section 60. You should also, of course, read those general provisions contained in Article VII of this regulation which apply to you. As a result of this regulation (and after its effective date) the ceiling prices for brewers' and distributors' sales of domestic malt beverages for off-premise consumption are no longer to be established under the General Ceiling Price Regulation (GCPR), as amended, and the ceiling prices for those distributors' sales of imported malt beverages for off-premise consumption which are covered by this regulation are no longer governed by Ceiling Price Regulation (CPR) 31.

SEC. 2. *Where this regulation applies.* This regulation applies in the 48 States of the United States and in the District of Columbia.

ARTICLE II—BREWERS

SEC. 20. *Brewers' "base period."* If you are a brewer of domestic malt beverages, your "base period" is the period May 24, 1950, through June 24, 1950. Therefore, any reference to a "base period" in those provisions of this regulation which apply to you, means May 24, 1950, through June 24, 1950.

SEC. 21. *How a brewer is to determine his ceiling prices for items dealt in during the "base period."* This section applies to you if you are a brewer who sells to a particular class of purchaser an item (defined in section 90 (b) (8)) which you sold or offered for sale to that same class of purchaser during the "base period." In that case, you must figure your ceiling price for those sales (except for delivered sales to consumers, to which section 24 (b) applies) as follows:

(a) Determine the highest price at which you made a customary sale of the item to the particular class of purchaser during the "base period." If no such sale was made, you must use the highest price at which you offered the item for sale to that class of purchaser during the "base period," if the offer, or its acceptance, is proven by some written or printed evidence such as a price list, price posting, printed advertisement, etc. (If, however, your offering price was intended to withhold the item from the market, or if it was merely a bargaining price, your usual practice being to sell at a price lower than that asked, you may not use that offering price as your offering price under this paragraph.) The "base period" price you determine under this paragraph must not include any deposit charge for case or containers or any amount that the purchaser may (pursuant to a repurchase agreement) recover for return of the case and containers purchased. In addition, if your "base period" price includes any excise or similar tax which has been reduced or eliminated since the beginning of the "base period," you must lower that price to reflect the amount of such reduction or elimination. If you cannot determine your "base period" sales price or offering price for the item under this paragraph, then you must determine your ceiling price for the item under section 22, 23, or 25, whichever is applicable.

(b) If you are calculating your ceiling price for sales of the particular item to wholesalers, home distributors, retailers or "on-premise licensees": (1) consult Column 2 of Table 1 for the dollar-and-cent "permitted increase" figure applicable to that item, if your "base period" price (determined in paragraph (a)) to the particular class of purchaser was an f. o. b. price; (2) consult either Column 3 or 4 (whichever applies) of Table I for the dollar-and-cent "permitted increase" figure applicable to that item, if your "base period" price (determined in paragraph (a)) to the particular class of purchaser was a delivered price (and note section 24 (a) which tells you whether to use Column 3 or 4 for your "permitted increase" figure to home distributors). If you are calculating your ceiling price for f. o. b. sales of the particular item to consumers, consult Column 5 of Table I for the dollar-and-cent "permitted increase" figure applicable to that item. (The "permitted increase" figures in Table I include adjustments for the increase in United States excise tax on malt beverages, which became effective November 1, 1951.) If a "permitted increase" figure for the particular item you are pricing is not listed in Table I, you must determine your ceiling price for the item under section 22, 23, or 25, whichever is applicable.

(c) Add together your "base period" price (determined in paragraph (a)) and the applicable dollar-and-cent "permitted increase" figure (determined in paragraph (b)). The resulting figure is your ceiling price for sales of the item to the particular class of purchaser and is (1) an f. o. b. price, if your "base period" price was an f. o. b. price; (2) a delivered price, if your "base period" price was a delivered price. That price, however, may be adjusted or modified under the provisions of sections 70, 71, 76, 77 and 78 of this regulation, if applicable. In addition, you must comply with the notification provisions of section 27 (b) of this regulation, if that section applies to you, and of section 28.

EXAMPLE 1: You wish to calculate your ceiling price for sales to wholesalers of a case of 24 12-ounce returnable bottles of X Brand beer. Your "base period" price for sales of that item to wholesalers was $2.50, and was an f. o. b. price. In Column 1 of Table I you find the line on which is listed the item you are pricing (24 12-ounce returnable bottles). Following that line across to Column 2, you find 25 cents, the "permitted increase" figure for f. o. b. sales to wholesalers of a case of 24 12-ounce returnable bottles of beer. Your f. o. b. ceiling price for sales to wholesalers of a case of 24 12-ounce returnable bottles of X Brand beer is, therefore, $2.75 ($2.50+25¢=$2.75).

EXAMPLE 2: You wish to calculate your ceiling price for sales to "on-premise licensees" of a half-barrel of A Brand ale. Your "base period" price for sales of that item to "on-premise licensees" was $9.50 and was a delivered price. In Column 1 of Table I you find the line on which is listed the item you are pricing (a half-barrel). Following that line across to Column 4, you find $1.73, the "permitted increase" figure for delivered sales to "on-premise licensees" of a half-barrel of ale. Your delivered ceiling price for sales to "on-premise licensees" of a half-barrel of A Brand Ale is, therefore, $11.23 ($9.50+$1.73=$11.23).

TABLE I—"PERMITTED INCREASE" IN BREWER'S "BASE PERIOD" PRICES FOR DOMESTIC MALT BEVERAGES

[In cents]

(1) Item (only the case size, container size and container type are listed)	(2) "Permitted increase" in "base period" f. o. b. prices for sales to wholesalers, home distributors, retailers and "on-premise licensees"	(3) "Permitted increase" in "base period" delivered prices for sales to wholesalers and those home distributors that must be priced as wholesalers (see sec. 24 (a))	(4) "Permitted increase" in "base period" delivered prices for sales to retailers, "on-premise licensees" and those home distributors that must be priced as retailers (see sec. 24 (a))	(5) "Permitted increase" in "base period" f. o. b. prices for sales to consumers
Barrels:				
1	222.0	237.0	346.0	346.0
½	111.0	118.0	173.0	173.0
⅓	74.0	79.0	115.0	115.0
¼	55.5	59.0	86.5	86.5
⅛	37.0	39.5	58.0	58.0
⅙	28.0	30.0	43.0	43.0
Bottles (returnable and nonreturnable):				
6/64	33.0	35.0	46.0	51.0
4/64	22.0	23.0	31.0	34.0
12/32	33.0	35.0	46.0	51.0
12/24	25.0	26.0	35.0	38.0
24/16	33.0	35.0	46.0	51.0
12/16	17.0	18.0	23.0	25.5
48/12	50.0	52.0	70.0	76.0
48/12 "special pack"	50.0	52.0	70.0	76.0
24/12	25.0	26.0	35.0	38.0
24/12 "special pack"	25.0	26.0	35.0	38.0
12/12	12.5	13.0	17.5	19.0
6/12	6.5	6.5	8.5	10.0
24/11½	24.0	25.0	33.0	36.0
24/11½ "special pack"	24.0	25.0	33.0	36.0
24/11	23.0	24.0	32.0	35.0
24/11 "special pack"	23.0	24.0	32.0	35.0
12/11	11.5	12.0	16.0	17.5
48/8	33.5	35.0	46.5	51.0
36/8	25.0	26.0	35.0	38.0
24/8	17.0	18.0	23.5	25.5
12/8	8.5	9.0	11.5	13.0
48/7	29.5	30.5	41.5	44.0
36/7	22.0	23.0	31.0	33.0
24/7	14.5	15.5	20.5	22.0
12/7	7.5	8.0	10.5	11.0
48/6	25.5	26.5	35.5	38.0
36/6	19.0	20.0	26.0	28.0
24/6	12.5	13.5	17.5	19.0
12/6	6.5	7.0	8.5	10.0
Cans:				
12/32	32.0	33.0	46.0	48.0
48/12	48.0	50.0	68.0	72.0
48/12 "special pack"	48.0	50.0	68.0	72.0
24/12	24.0	25.0	34.0	36.0
24/12 "special pack"	24.0	25.0	34.0	36.0
12/12	12.0	13.0	17.0	18.0
6/12	6.0	6.5	8.5	9.0
48/8	32.0	33.0	46.0	48.0
36/8	24.0	25.0	34.0	36.0
24/8	16.0	17.0	22.5	24.0

NOTE: The "permitted increase" figures in Table I include adjustments for the increase in the United States excise tax on malt beverages, which became effective November 1, 1951.

SEC. 22. *How a brewer is to determine his ceiling prices for items of a different container size, container type or case size from those dealt in during the "base period"*—(a) *How to use this section.* This section applies to you if you are a brewer who wishes to sell to a particular class of purchaser except to consumers on a delivered basis an item (defined in section 90 (b) (8)) for which you cannot determine your ceiling price under section 21, to that class of purchaser, but which differs only in case size or container size or container type (or any combination of those three characteristics) from an item for which you have already determined a ceiling price to that class of purchaser under this regulation. In that case, you must determine your ceiling price for sale of the particular item you wish to sell to that class of purchaser under the provisions of paragraph (b), (c), (d), or (e) of this section, whichever is applicable (except that your ceiling price for delivered sales to consumers must be determined as directed in section 24 (b)). However, in determining your ceiling prices under this section you must always regard a "special pack" case (defined in section 90 (b) (3)) of 11, 11½ or 12-ounce containers as an item of a different container size and container type (as well as case size) from a case which is not a "special pack" case. Of course, all "special pack" cases that have containers which are actually of the same container size and container type, are regarded as being items of the same container size and container type. (For example: A standard case of 24 12-ounce returnable bottles is considered as an item of a different case size, container size and container type from a "special pack" case of 24 12-ounce returnable bottles packed in four units of six containers each. But, a "special pack" case of 24 12-ounce returnable bottles packed in four units of six containers each, is an item of the same case size, container size and container type as a "special pack" case of 24 12-ounce returnable bottles packed in eight units of three containers each; and a "special pack" case of 48 12-ounce returnable bottles packed in eight units of six containers each is an item of the same container size and container type, though not of the same case size as a "special pack" case of 36 12-ounce returnable bottles packed in nine units of four containers each.) If you cannot calculate your ceiling prices for a particular item under paragraph (b), (c) or (d) of this section and cannot or do not wish to determine your ceiling price for the item under paragraph (e), you must determine that ceiling price under section 23 or 25, whichever is applicable.

(b) *Ceiling prices for items of different case size only.* This paragraph (b) applies to you if you are a brewer who wishes to sell to a class of purchaser, except to consumers on a delivered basis, an item (in bottles or cans) that differs only in case size from an item of the same brand and type for which you have determined a ceiling price to that class of purchaser under this regulation. (The item for which you have determined a ceiling price under this regulation is hereafter called your "key item".) In that case your ceiling price for sales to the particular class of purchaser of the item you are pricing is the price which is in the same proportion to the ceiling price for sales of your "key item" to that class of purchaser, as the proportion of the case size of the item you are pricing to the case size of your "key item." The ceiling price you determine is (1) an f. o. b. price, if the ceiling price for sale of your "key item" to the same class of purchaser is an f. o. b. price; (2) a delivered price, if the ceiling price for sale of your "key item" to the same class of purchaser is a delivered price. In addition, that ceiling price may be adjusted or modified under the provisions of sections 70, 71, 76, and 78, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales of your "key item" to the same class of purchaser. Finally, you must comply with the notification provisions of section 27 (b) of this regulation, if that section applies to you, and of section 28.

(c) *Ceiling prices for barrels of different size only.* (1) This paragraph (c) applies to you if you are a brewer who wishes to sell to a class of purchaser, except to consumers on a delivered basis, a barrel (or fraction of a barrel) of malt beverages that differs only in size from a barrel (or fraction of a barrel) of the same brand and type for which you have determined a ceiling price to that particular class of purchaser under this regulation. (The barrel, or fraction thereof, for which you have determined a ceiling price under this regulation is hereafter called your "key item.") In that case, your ceiling price for sales to the particular class of purchaser of the item you are pricing is the price which is in the same proportion to the ceiling price for sales of your "key item" to that class of purchaser, as the proportion of the size of the item you are pricing to the size of your "key item." In addition, if the container size of the item you are pricing is ⅓ barrel you may increase that

ceiling price 25 cents. However, if your "key item" is ⅛ barrel your ceiling price for sales to the particular class of purchaser of the item you are pricing is the price which is in the same proportion to the ceiling price for sales of your "key item" to that class of purchaser *less* 25 cents, as the proportion of the size of the item you are pricing to the size of your "key item."

(2) The ceiling price determined in subparagraph (1) is (i) an f. o. b. price, if the ceiling price for sale of your "key item" to the same class of purchaser is an f. o. b. price; (ii) a delivered price, if the ceiling price for sale of your "key item" to the same class of purchaser is a delivered price. In addition, that ceiling price may be adjusted or modified under the provisions of sections 70, 71, 76, and 78, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales of your "key item" to the same class of purchaser. Finally, you must comply with the notification provisions of section 27 (b) of this regulation, if that section applies to you, and of section 28.

EXAMPLE: The ceiling price you have previously determined under this regulation for f. o. b. sales to wholesalers of a half-barrel of Z beer is $8. Therefore, you select a half-barrel of Z beer as your "key item." You now wish to determine your ceiling price for sales to wholesalers of ¼ barrel of Z beer. Since ¼ barrel of beer is ½ the size of your "key item", your ceiling price for f. o. b. sales to wholesalers of ¼ barrel of Z beer is $4, which is ½ of your ceiling price of $8 for f. o. b. sales to wholesalers of your "key item."

(d) *Ceiling prices for items by reference to another brand produced by the same brewer.* (1) This paragraph (d) applies to you under the following circumstances:

(i) You are a brewer who wishes to sell to a class of purchaser, except to consumers on a delivered basis, an item whose ceiling price you cannot determine under paragraph (b) or (c) of this section, and that item differs only in container size or container type or both container size and container type (or any combination of those two characteristics along with case size) from an item or items of the same brand and type for which you have determined your ceiling price to that class of purchaser under this regulation; and

(ii) You have determined a ceiling price under this regulation for sale to that class of purchaser of an item of the same container size, container type and (if the item you are pricing is sold in bottles or cans) case size as the item you are pricing but of a different brand (which will be called the "comparable brand") from that of the item you are pricing; and

(iii) You have determined a ceiling price under this regulation for sale to that class of purchaser of your largest selling item of the same brand as that of the item you are pricing, and that ceiling price is identical with the ceiling price (to the same class of purchaser) of the "comparable brand" item of the same container size, container type and (if your largest selling item is sold in bottles or cans) case size as that largest selling item.

If this paragraph applies to you, your ceiling price for sales to the particular class of purchaser of the item you are pricing is the same as the ceiling price for sales to that class of purchaser of the "comparable brand" item of the same container size, container type and (if the item you are pricing is sold in bottles or cans) case size as the item you are pricing.

(2) The ceiling price determined in subparagraph (1) is (i) an f. o. b. price, if the ceiling price for sale to the same class of purchaser of your largest selling item of the same brand as the item you are pricing is an f. o. b. price; (ii) a delivered price, if the ceiling price for sale to the same class of purchaser of your largest selling item of the same brand as the item you are pricing is a delivered price. In addition, that ceiling price may be adjusted or modified under the provisions of sections 70, 71, 76 and 78, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales to the same class of purchaser of your largest selling item of the same brand as the item you are pricing. Finally, you must comply with the notification provisions of section 27 (b) of this regulation, if that section applies to you, and of section 28.

EXAMPLE: You wish to determine your ceiling price for sales to wholesalers of a case of 36 7-ounce non-returnable bottles of Y Brand ale. You sell cases of 36 7-ounce non-returnable bottles of X Brand beer to wholesalers and your ceiling price for such sales (previously determined under this regulation) is $3.25. Your largest selling item of Y Brand ale is the 24 12-ounce returnable bottle size for which your ceiling price for sales to wholesalers is $3. Three dollars is also your ceiling price for sales to wholesalers of cases of 24 12-ounce returnable bottles of X Brand beer. Therefore, your ceiling price for sales to wholesalers of cases of 36 7-ounce non-returnable bottles of Y Brand ale is $3.25, the same as your ceiling price of 36 7-ounce non-returnable bottles of X Brand beer.

(e) *Ceiling prices for items by reference to conversion table.* This paragraph (e) applies to you if you are a brewer who wishes to sell to a class of purchaser, except to consumers on a delivered basis, an item whose ceiling price you cannot determine under paragraph (b), (c), or (d) of this section, and that item differs only in container size or container type or both container size and container type (or any combination of those two characteristics along with case size), from an item (or items) of the same brand and type for which you have determined your ceiling price to that class of purchaser under this regulation. In that case you may, if you wish, calculate your ceiling price for sale of that item to the particular class of purchaser under the provisions of this paragraph (e). If you do not choose to calculate that ceiling price under this paragraph or if, for any reason, you cannot calculate that ceiling price under this paragraph, you must determine that ceiling price under section 23, 24, or 25, whichever is applicable. However, if you cannot determine your ceiling price for an item under this paragraph because a "dollar-and-cent adjustment" for the item is not contained in Table II, but Table II does contain a "dollar-and-cent adjustment" for an item of the same container size and container type as the item you wish to price, you may first determine a ceiling price under this paragraph for that item (of the same container size and container type) for which a "dollar-and-cent adjustment" is contained in Table II, then calculate your ceiling price for the item you wish to price under the provisions of section 22 (b).

The method for determining your ceiling price under this paragraph for sales of an item to a particular class of purchaser is as follows:

(1) There are five case and container sizes and types listed, in the table labeled Specifications for "Key Items," at the end of this subparagraph. If (i) you can determine your ceiling price under this regulation for sale of an item to the same class of purchaser as the class to which you wish to sell the item you are pricing, and (ii) that item is of the same brand, type, and container material (glass or metal) as the item you are pricing, and (iii) that item is of the same case size, container size, and container type as one of the five items listed in the table labeled Specification for "Key Items," then that item is your "key item." However, if there is more than one item that would qualify as a "key item" (under the standards set up in the last sentence) then your "key item" is that item which, of the items that qualify, accounted for the largest amount of sales, by dollar volume, in either the calendar year 1950, or your last fiscal year ending before January 1, 1952.

(2) Consult Table II for the column headed with the case and container designations of your "key item," then select the figure in that column which applies to the case and container designations of the item for which you are determining a ceiling price. That figure is the "dollar-and-cent adjustment" for the item you are pricing.

(3) To the ceiling price (determined under this regulation) for sales of your

SPECIFICATIONS FOR "KEY ITEMS"

Brand	Type	Case size (number of containers)	Container size (ounces)	Container type
Same as item being priced under this section.	Same as item being priced under this section.	24	12	Returnable bottles.
		24	11	Returnable bottles.
		24	12	Non-returnable bottles.
		24	11	Non-returnable bottles.
		24	12	Cans.

"key item" to the particular class of purchaser, add, or subtract from it (as the case may be) the "dollar-and-cent adjustment" arrived at under subparagraph (2) for the item you are pricing. The resulting figure is your ceiling price for sale of the item you are pricing to the particular class of purchaser and is (i) an f. o. b. price, if the ceiling price for sale of your "key item" to the same class of purchaser is an f. o. b. price; (ii) a delivered price, if the ceiling price for sale of your "key item" to the same class of purchaser is a delivered price. The ceiling price arrived at under this subparagraph (3) may, however, be adjusted or modified under the provisions of sections 70, 71, 76, and 78, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales of your "key item" to the same class of purchaser. In addition, you must comply with the notification provisions of section 27 (b) of this regulation, if that section applies to you, and of section 28.

EXAMPLE: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

(1) You wish to determine your ceiling price for sales to wholesalers of a case of 36 8-ounce returnable bottles of X Brand beer. You can determine your ceiling price under this regulation for sales of X Brand beer in cases of 24 12-ounce returnable bottles, 24 12-ounce non-returnable bottles, and 24 12-ounce cans. However, X Brand beer in cases of 24 12-ounce cans cannot be your "key item" because it is packed in metal, which is not the same container material as the container material (glass) of the item you are pricing. As between the other two items, your total sales by dollar volume in your fiscal year ending June 30, 1951 (your last fiscal year ending before January 1, 1952), of X Brand beer in cases of 24 12-ounce returnable bottles was greater than your total sales of that item in cases of 24 12-ounce non-returnable bottles. Your "key item," therefore, is a case of 24 12-ounce returnable bottles of X Brand beer.

(2) The case and container designations of your "key item" (24 12-ounce returnable bottles) are listed in Column 1 of Table II, but there is no "dollar-and-cent adjustment" in Column 1 for the item you are pricing (36 8-ounce returnable bottles). There is, however, a "dollar-and-cent adjustment" in Column 1 for 24 8-ounce returnable bottles, which is the same container size and container type as the item you are pricing. That "dollar-and-cent adjustment" is "−44" cents.

(3) Your ceiling price (determined under this regulation) for sale of your "key item" (a case of 24 12-ounce returnable bottles of X Brand beer) to wholesalers is $2.65, and is your ceiling price for f. o. b. sales. Subtracting 44 cents (your Table II "dollar-and-cent adjustment" for 24 8-ounce returnable bottles) from $2.65, gives you $2.21, which is what your ceiling price would be for f. o. b. sales to wholesalers of a case of 24 8-ounce returnable bottles of X Brand beer. Applying the provisions of section 22 (b) you multiply that $2.21 ceiling price by 1½, since the case size of the item you are pricing (36 8-ounce returnable bottles) is 1½ times the case size of 24 8-ounce returnable bottles. Your ceiling price for f. o. b. sales to wholesalers of a case of 36 8-ounce returnable bottles of X Brand beer is, therefore, $3.31½ ($2.21×1½=$3.31½) which, under section (70) (b) (1), you may round to $3.32.

TABLE II—BREWER'S "DOLLAR-AND-CENT ADJUSTMENT" PER CASE FOR ITEMS PRICED UNDER SECTION 22 (e)

NOTE: If the "dollar-and-cent adjustment" figure listed below has a + sign in front of it, it is to be added to the ceiling price of the "key item." If it has a minus sign in front of it, it is to be subtracted from the ceiling price of the "key item."

[In cents]

Case and container designations of item being priced	Case and container designations of "key items"				
	(1) 24 12-ounce returnable bottles	(2) 24 11-ounce returnable bottles	(3) 24 12-ounce nonreturnable bottles	(4) 24 11-ounce nonreturnable bottles	(5) 24 12-ounce cans
Returnable bottles:					
6/64	+34	+44	−12	−2	
12/32	+46	+56	0	+10	
12/24	−5	+5	−51	−41	
24/16	+50	+60	+4	+14	
24/12	0	+10	−46	−36	
24/12 "special pack"	+8	+18	−38	−28	
24/11½	−5	+5	−51	−41	
24/11½ "special pack"	+3	+13	−43	−33	
24/11	−10	0	−56	−46	
24/11 "special pack"	−2	+8	−48	−38	
24/8	−44	−34	−90	−80	
24/7	−55	−45	−101	−91	
24/6	−65	−55	−111	−101	
Non-returnable bottles:					
12/32	+92	+102	+46	+56	
24/12	+46	+56	0	+10	
24/12 "special pack"	+54	+64	+8	+18	
24/11½	+41	+51	−5	+5	
24/11½ "special pack"	+49	+59	+3	+13	
24/11	+36	+46	−10	0	
24/11 "special pack"	+44	+54	−2	+8	
24/8	+2	+12	−44	−34	
24/7	−9	+1	−55	−45	
24/6	−19	−9	−65	−55	
Cans:					
12/32					+46
24/12 "special pack"					+5
24/8					−44

NOTE: The "dollar-and-cent adjustment" figures listed in Table II take into account the increase in the United States excise tax on malt beverages, which became effective Nov. 1, 1951.

SEC. 23. *How a brewer is to determine his ceiling prices for certain items by reference to a competitive brewer.* This section applies to you if you are a brewer who wishes to sell to a class of purchaser (1) an item whose ceiling price you cannot determine under either section 21 or 22 and cannot, or do not wish to, determine under section 22 (e), and (2) that item differs only in container size or container type or both container size and container type (or any combination of those two characteristics along with case size) from an item (or items) of the same brand and type for which you have determined your ceiling price to that class of purchaser under this regulation. However, in determining your ceiling prices under this section you must always regard a "special pack" case (defined in section 90 (b) (3)) of 11, 11½ or 12-ounce containers as an item of a different container size and container type (as well as case size) from a case which is not a "special pack" case. Of course, all "special pack" cases that have containers which actually are of the same container size and container type, are regarded as being items of the same container size and container type. (For example: A standard case of 24 12-ounce returnable bottles is considered as an item of a different case size, container size and container type from a "special pack" case of 24 12-ounce returnable bottles packed in four units of six containers each. But, a "special pack" case of 24 12-ounce returnable bottles packed in four units of six containers each, is an item of the same case size, container size and container type as a "special pack" case of 24 12-ounce returnable bottles packed in eight units of three containers each; and a "special pack" case of 48 12-ounce returnable bottles packed in eight units of six containers each is an item of the same container size and container type, though not of the same case size, as a "special pack" case of 36 12-ounce returnable bottles packed in nine units of four containers each.) If this section applies to you, you must determine your ceiling price for sale of that item to the particular class of purchaser (except for delivered sales to consumers, to which section 24 (b) applies) as follows:

(a) Of the items for which you have already determined ceiling prices under this regulation (for sales to the same class of purchaser as the class to which you wish to sell the item you are pricing) determine your largest selling item of the same brand and type as the item you are pricing. That largest selling item is your "key item."

(b) Select, as your "competitive brewer," a brewer who sells to the particular class of purchaser both: (1) an item of the same container size, container type and (if your "key item" is sold in bottles or cans) case size as your "key item" and whose ceiling price per case for such sales is equal to, or no more than 10 cents higher or lower than, your "key item's" ceiling price per case for sales to that class of purchaser, and (2) an item of the same container size and container type (but not necessarily of the same case size) as the item you are pricing (and of the same brand and type as that one of his items referred to in (b) (1)).

(c) Determine your "base figure" as follows: (1) if the item you are pricing is packed in cases, then

(i) If the case size of the "competitive brewer's" item of the same container size and container type as the item you are pricing is the *same* as the case size of the item you are pricing, the "competitive brewer's" ceiling price for sale to the particular class of purchaser of that case size, container size, and container type of item is your "base figure."

(ii) If the case size of the "competitive brewer's" item of the same container size and container type as the item you are pricing is *different* from the case size of the item you are pricing, your "base figure" is the price which is in the same proportion to your "competitive brewer's" ceiling price for sale to the particular class of purchaser of his item of the same container size and container type as the item you are pricing, as the proportion of the case size of the item you are pricing to the case size of your "competitive brewer's" item of the same container size and container type.

(2) If the item you are pricing is a barrel (or fraction of a barrel), then the "competitive brewer's" ceiling price for sale to the particular class of purchaser of that container size and container type of item is your "base figure."

EXAMPLE: You wish to determine your ceiling price for sales to wholesalers of cases of 24 7-ounce returnable bottles. Your "competitive brewer's" ceiling price to wholesalers for 36 7-ounce returnable bottles is $3.30 per case. Since the case size of the item you are pricing is ⅔ the case size of your "competitive brewer's" item, your "base figure" is $2.20, which is ⅔ of your "competive brewer's" ceiling price for sale of 36 7-ounce returnable bottles.

(d) Divide your ceiling price for sales of your "key item" to the particular class of purchaser, by your "competitive brewer's" ceiling price for sales to that class of purchaser of his item of the same container size, container type, and (if your "key item" is sold in bottles or cans) case size as your "key item." The resulting figure is your "comparison factor." Your ceiling price for sales to the particular class of purchaser of the item you are pricing is determined by multiplying your "base figure" (arrived at in (c)) by that "comparison factor." The ceiling price you determine is (i) an f. o. b. price, if the ceiling price for sale of your "key item" to the same class of purchaser is an f. o. b. price; (ii) a delivered price, if the ceiling price for sale of your "key item" to the same class of purchaser is a delivered price. In addition, that ceiling price may be adjusted or modified under the provisions of sections 70, 71, 76, and 78, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales of your "key item" to the same class of purchaser. Finally, you must comply with the notification provisions of section 27 (b) of this regulation, if that section applies to you, and of section 28.

EXAMPLE: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

(a) You wish to determine your ceiling price for sales to wholesalers of cases of 36 7-ounce non-returnable bottles of X Brand beer. The largest selling case and container size and type of X Brand beer for which you have already calculated a ceiling price to wholesalers under this regulation is 24 12-ounce returnable bottles, and that ceiling price was $2.50 per case. Therefore, your "key item" is 24 12-ounce returnable bottles of X brand beer.

(b) Brewer Y:

(1) sells Y Brand beer to wholesalers in 24 12-ounce returnable bottles (the same container size, container type, and case size as your "key item"), for which his ceiling price is $2.54 per case, and

(2) though he does not sell Y Brand beer to wholesalers in 36 7-ounce non-returnable bottles (the case size of the item you are pricing), he does sell it in 24 7-ounce non-returnable bottles, for which his ceiling price is $2.44 per case.

Since Y sells items of the same container size, container type and case size as your "key item" and of the same container size and container type as the item you are pricing, and since Y's ceiling price of $2.54 for sale of the same case and container size and type as your "key item" is less than 10 cents higher than your "key item's" ceiling price of $2.50, you may select Y as your "competitive brewer."

(c) The case size of the item you are pricing (36 7-ounce non-returnable bottles) is 1½ times larger than the case size of the "competitive brewer's" item of the same container size and container type (24 7-ounce non-returnable bottles). Therefore, your "base figure" is $3.66, which is 1½ times greater than your "competitive brewer's" ceiling price of $2.44 for sales of 24 7-ounce non-returnable bottles to wholesalers.

(d) Dividing $2.50 (your ceiling price for sales to wholesalers of your "key item") by $2.54 (your "competitive brewer's" ceiling price for sales to wholesalers of 24 12-ounce returnable bottles, the same case and container size and type as your "key item"), you arrive at 0.9842, which is your "comparison factor" ($2.50÷$2.54=.9842). Multiplying $3.66 (your "base figure") by 0.9842 (your "comparison factor") gives you your ceiling price, for sales to wholesalers of cases of 36 7-ounce non-returnable bottles of × Brand beer, of $3.60.

SEC. 24. *How a brewer is to determine his ceiling prices for sales to home distributors and for delivered sales to consumers*—(a) *Sales to home distributors.* This paragraph (a) applies to you if you are a brewer who wishes to sell an item or items to home distributors (defined in section 90 (a) (13)) in a particular State. In that case if, during the "base period," you treated those home distributors as a different class of purchaser from wholesalers in that State who were not home distributors, you must determine your ceiling prices for sales to those home distributors as you would determine your ceiling prices under the provisions of this regulation for sales to retailers. However if, during the "base period," you did not treat those home distributors as a different class of purchaser from wholesalers in that State who were not home distributors, you must determine your ceiling prices for sales to those home distributors as you would determine your ceiling prices under the provisions of this regulation for sales to wholesalers.

(b) *Delivered sales to consumers.* This paragraph (b) applies to you if you are a brewer who wishes to sell an item or items to consumers on a delivered basis. In that case you must determine your ceiling prices for such delivered sales to consumers under the provisions of this regulation which apply to retailers. If however, in determining your ceiling prices under the provisions of this regulation which apply to retailers, it is necessary for you to determine your "cost of acquisition" for a particular customary purchase of an item, you must regard your "cost of acquisition" for that particular customary purchase as the "cost of acquisition" you would have incurred if you purchased that item for the same price and under the same conditions as a retailer.

SEC. 25. *How a brewer is to determine his ceiling prices for sales of items when the ceiling prices for those sales cannot be determined under any other section of this regulation.* This section applies to you if you are a brewer who wishes to sell to a class of purchaser an item (defined in section 90 (b) (8)) for which you cannot determine a ceiling price to that class of purchaser under sections 21, 22, 23, or 24 of this regulation, and for which you cannot or do not wish to determine your ceiling price to that class of purchaser as permitted under section 22 (e), 24 or 26. In that case, you may apply to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., for the establishment of a ceiling price for sale of the item to the particular class of purchaser. Your application must be in writing, signed by you or a duly authorized officer, shall state that it is filed under this section, and shall contain the following information:

(a) A description of the item for which you wish a ceiling price (that is, the item's brand, type, container size, container type and, if sold in returnable bottles, non-returnable bottles or cans, its case size).

(b) The class of purchaser to whom you wish to sell the item.

(c) An explanation of why you are unable to determine your ceiling price under sections 21, 22 (b), (c) or (d), 23 or 24 for sales of the item to the particular class of purchaser.

(d) The names and addresses (if available) of the two brewers who you think are selling the items that are (or will be) the most closely competitive items to the one for which you wish a ceiling price, and a description of those items (that is, the brand, type, container size, container type and, if sold in returnable bottles, non-returnable bottles or cans, the case size of each of the items). In addition, also state (if you can obtain the information) the ceiling prices in effect for sales of those two most closely competitive items to the same class of purchaser as that to whom you wish to sell the item for which you are making application under this section.

After your application is filed, the Office of Price Stabilization may, by amendment or order, establish a ceiling price for sales of the item to the particular class of purchaser which is in line with the level of ceiling prices otherwise established under this regulation. You may not, however, sell the item to the particular class of purchaser until after such amendment or order is issued and

becomes effective. However, if you have established a ceiling price under the General Ceiling Price Regulation (GCPR) or CPR 117 for sale of the item to that class of purchaser, you may continue to make such sales at or below your GCPR or CPR 117 ceiling price until the amendment or order applied for under this section is issued and takes effect. In any event you may not sell the item to the particular class of purchaser either at or below your GCPR or CPR 117 ceiling price after July 21, 1952, unless you have by that date placed in the mail, properly addressed and completed, your application for a ceiling price under this section.

SEC. 26. *Optional method of determination of brewers' ceiling prices to sole distributors and wholly owned distributors.* This section applies to you if you are a brewer who sells or delivers malt beverages to a sole distributor (as defined in section 90 (a) (16)) of your malt beverages or to a corporation or other outlet engaged in the distribution of your malt beverages and wholly owned by you. In that case you may determine our ceiling prices for the items you sell to any one of those types of purchasers either (a) under the other provisions of this regulation which apply to you, or (b) pursuant to a contract, formula or other method customarily used by you to determine selling prices to that type of purchaser before the issuance of this regulation.

SEC. 27. *Optional method for determination of brewers' ceiling prices for newly labeled malt beverages*—(a) *Optional method of determination of ceiling prices.* This section applies to you if you are a brewer who, after June 24, 1950, sells or intends to sell a malt beverage under a different label than your other malt beverages, but the quality of that newly labeled malt beverage is equal to, or better than, the quality of a malt beverage (the "comparable malt beverage") you are or were selling. In that case, you may regard the malt beverage with the new label as being the same brand and type as the "comparable malt beverage," and you may determine your ceiling price for a particular container size, container type and (if sold in bottles or cans) case size of that newly labeled malt beverage under sections 21, 22, 23, 24 or 26 (whichever applies), just as if it were the same "item" as the identical container size, container type and (if sold in bottles or cans) case size of the "comparable malt beverage." (For example: If (i) you sold cases of 24 12-ounce returnable bottles of X Brand beer during the "base period" and now wish to produce and to determine your ceiling prices for cases of 24 12-ounce returnable bottles of Y Brand ale, and (ii) the quality of Y brand ale is not inferior to that of X Brand beer, then (iii) you may adopt as your ceiling prices for sales of 24 12-ounce returnable bottles of Y Brand ale, your ceiling prices for sales to the same classes of purchasers of 24 12-ounce returnable bottles of X Brand beer. As a further example, if (i) you wish to produce Z Brand beer in 36 7-ounce non-returnable bottles, and (ii) you sold X Brand beer during the "base period" but not in that container type (non-returnable bottles), and (iii) the quality of Z Brand beer is not inferior to that of X Brand beer, then (iv) you may determine your ceiling prices for sales of Z Brand beer under section 22 (e) assuming, for purposes of that calculation only, that you are merely pricing a different container type of X Brand beer.

(b) *Required notification to purchasers.* If you choose to determine your ceiling prices for a newly labeled malt beverage in the manner stated in paragraph (a) you must give (in writing) the notice set forth below to: (1) all wholesalers who purchased the "comparable malt beverage" from you during the "base period" and now purchase the newly labeled malt beverage from you; (2) all retailers and "on-premise licensees" who (i) purchased the "comparable malt beverage" from you between December 19, 1950 and October 31, 1951, inclusive; (ii) did not purchase the newly labeled malt beverage from you between December 19, 1950 and October 31, 1951, inclusive, and (iii) purchase (or purchased) the newly labeled malt beverage from you within 2 months after you first offer (or offered) it for sale. That notice must be given to each such wholesaler or retailer or "on-premise licensee" either on or before the day you first deliver the newly labeled malt beverage to him after July 21, 1952. In addition, you must mail a copy of the notice to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., on or before the day you make your first delivery of the newly labeled malt beverage after July 21, 1952.

OPS CEILING PRICES FOR ITEM WITH NEW LABEL

The Office of Price Stabilization has authorized us to inform you that, for purposes of calculating your ceiling prices under CPR 117, Revision 1, you must regard (list brand and type of the newly labeled malt beverage) and (list brand and type of the "comparable malt beverage") as the same item. Therefore, you must determine your ceiling prices for each container size, container type and case size of (list brand and type of the newly labeled malt beverage) under the applicable sections of CPR 117, Revision 1, just as if it were the same item as the particular container size, container type and case size of (list brand and type of the "comparable malt beverage").

The Office of Price Stabilization requires you to keep a copy of this notice for examination.

SEC. 28. *Brewers' notification of ceiling prices.* (a) If you are a brewer who determines your ceiling prices under this regulation you must give to each of your purchasers (other than consumers), either at the time of, or before, your first delivery of any of your items to that purchaser after January 28, 1952, a written notice as follows:

NOTICE OF CEILING PRICES

The Office of Price Stabilization has authorized us to establish the following ceiling prices for sales to you of our malt beverages:

Item	*Ceiling price*
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(List each item, defined in section 90 (b) (8), for which you have established a ceiling price for sale to the class of purchaser to whom the notice is given.)

Our ceiling prices include all Federal taxes and (specify State and local taxes, if any, included). The Office of Price Stabilization requires you to keep a copy of this notice for examination.

In addition, you may not sell an item to a class of purchaser after July 21, 1952 until you first send to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., a copy of the above notice applicable to that class of purchaser, and (if the information is not already included in the notice) a statement indicating: (1) the class of purchaser to whom the notice applies, and (2) whether the ceiling prices listed in the notice are f. o. b. or delivered prices.

(b) You need only give the above notice to a purchaser once and, of course, you need not give a second notice to a purchaser to whom you gave a notice under section 24 of the original CPR 117. However, (1) if you establish a ceiling price for sale to a purchaser of an item not listed in any previous notice you gave to him (under this section or section 24 of the original CPR 117), or (2) if, for any reason, there is a change in the ceiling price which was listed for sale of an item to a purchaser in that last notice you gave him (under this section or section 24 of the original CPR 117) which covered that item, then you must give that purchaser an additional notice (listing the new ceiling prices for the particular item) at or before the time you make your first delivery of the item to him at that new ceiling price. You must also, before the time you make your first delivery of the particular item to any purchaser at that new ceiling price, send to the Office of Price Stabilization, Alcoholic Beverage Section, Washington 25, D. C., a copy of the notice listing the new ceiling price applicable to purchasers in that particular class, and (if the information is not already included in that notice), a statement indicating: (i) The class of purchaser to whom the notice applies, and (ii) whether the ceiling prices listed in the notice are f. o. b. or delivered prices.

ARTICLE III—WHOLESALERS

SEC. 30. *Wholesalers' "base period."* If you are a wholesaler of imported or domestic malt beverages your "base period" is the period May 24, 1950 through June 24, 1950. Therefore, any reference to a "base period" in those provisions of this regulation which apply to you, means May 24, 1950 through June 24, 1950.

SEC. 31. *How a wholesaler is to determine his ceiling prices for items dealt in during the "base period."* This section applies to you if you are a wholesaler who sells to a particular class of purchaser an item (defined in section 90 (b) (8)) of imported or domestic malt beverages which you sold or offered for sale to that same class of purchaser during the "base period." In that case, you must figure your ceiling price for those sales (except

for delivered sales to consumers, to which section 35 applies) as follows:

(a) (1) Determine the highest price at which you made a customary sale of the item to the particular class of purchaser during the "base period." If no such sale was made, you must use the highest price at which you offered the item for sale to that class of purchaser during the "base period" if the offer, or its acceptance, is proven by some written or printed evidence such as a price list, price posting, printed advertisement, etc. (If, however, your offering price was intended to withhold the item from the market, or if it was merely a bargaining price, your usual practice being to sell at a price lower than that asked, you may not use that offering price as your offering price under this paragraph.) In addition, if during the entire "base period," you were selling the item to the particular class of purchaser under the terms of a "special deal" (as defined in section 90 (c) (8)), you may use as your "base period" price the price last in effect for the item to that class of purchaser before the day the "special deal" started.

(2) The "base period" price you determine under subparagraph (1) must not include any charge for case or containers or any amount that the purchaser could (pursuant to a repurchase agreement) have recovered for return of the case and containers purchased. Furthermore, if your "base period" price includes any excise or similar tax which has been reduced or eliminated since the beginning of the "base period," you must lower that price to reflect the amount of such reduction or elimination. If you cannot determine your "base period" sales price or offering price of the item under this paragraph (a), then you must determine your ceiling price for the item under sections 32, 33, 34 or 36, whichever is applicable.

(b) Consult either Column 2 or Column 3 (whichever applies) of Table III for the dollar-and-cent "permitted increase" figure applicable for sales of the particular item to the particular class of purchaser. (The "permitted increase" figures in Table III include adjustments for the increase in the United States excise tax on malt beverages, which became effective November 1, 1951.) If a "permitted increase" figure for the particular item you are pricing is not listed in Table III, you must determine your ceiling price for the item under sections 32, 33, 34, or 36 whichever is applicable.

(c) Consult Column 2 of Table IV for the amount of the "compensated freight increase" applicable to the particular item you are pricing. If your "freight cost" has (between the end of the "base period" and December 31, 1951) increased more than the amount of that "compensated freight increase," you may add an "additional freight cost adjustment" equal in amount to the excess of your "freight cost" increase over that "compensated freight increase." For purposes of this paragraph "freight cost" means:

(1) All transportation charges (as defined in section 90 (c) (9)) applicable to the particular item and actually incurred by you to transport the item from the supplier's customary shipping point to your customary receiving point, to the extent that those charges were not already included in the gross invoice price for the item; plus

(2) All transportation charges (as defined in section 90 (c) (9)) that (under the arrangement you have with your supplier) must be incurred by you (in addition to the gross invoice price for the item) to return to that supplier the empty case and containers in which the item is packed.

(d) Add together your "base period" price (determined in paragraph (a)), the applicable dollar-and-cent "permitted increase" figure (determined in paragraph (b)), and your "additional freight cost adjustment" if any (determined in (c)). The resulting figure is your ceiling price for sales of the item to the particular class of purchaser and is (1) an f. o. b. price, if your "base period" price was an f. o. b. price; (2) a delivered price, if your "base period" price was a delivered price. That ceiling price however, may be adjusted or modified under the provisions of sections 70, 71, 76, 77 and 78 of this regulation, if applicable. In addition, you must comply with the notification provisions of section 37 (b) of the regulation, if that section applies to you, and of section 38.

EXAMPLE 1: You wish to calculate your ceiling price for sales to retailers (one of your classes of purchasers) of a case of 24 12-ounce returnable bottles of X Brand beer. Your "base period" price for sales of that item to retailers was $3.50, and was a delivered price. In Column 1 of Table III you find the line on which is listed the item you are pricing (24 12-ounce returnable bottles). Following that line across to Column 2 you find 35 cents, the "permitted increase" figure for delivered sales to retailers of a case of 24 12-ounce returnable bottles of beer. In addition, since your "freight cost" for the item increased 4½ cents between the "base period" and December 31, 1951, which is 1½ cents higher than the amount of the "compensated freight increase" shown in Table IV for that item, your "additional freight cost adjustment" is 1½ cents. Your delivered ceiling price for sales to retailers of a case of 24 12-ounce returnable bottles of X Brand beer is, therefore, $3.86½ ($3.50+35 cents+1½ cents=$3.86½) which, under section 70 (b) (1), you may round up to $3.87.

EXAMPLE 2: You wish to calculate your ceiling price for *f. o. b.* sales to consumers of a case of 12 32-ounce returnable bottles of X Brand beer. (Your ceiling price for *delivered* sales to consumers must be calculated as directed in section 35.) Your "base period" price for f. o. b. sales of that item to consumers was $4.10. In Column 1 of Table III you find the line on which is listed the item you are pricing (12 32-ounce returnable bottles). Following that line across to Column 3, you find 51 cents, the "permitted increase" figure for f. o. b. sales to consumers of a case of 12 32-ounce returnable bottles of beer. (Since your "freight cost" for the item increased by only 2 cents between the "base period" and December 31, 1951, which is not in excess of the "compensated freight increase" for that item listed in Table IV, you are not entitled to any "additional freight cost adjustment.") Your f. o. b. ceiling price for sales to consumers of a case of 12 32-ounce returnable bottles of X Brand beer is, therefore, $4.61 (4.10+51 cents=$4.61).

TABLE III.—"PERMITTED INCREASE" IN WHOLESALER'S "BASE PERIOD" PRICES FOR IMPORTED OR DOMESTIC MALT BEVERAGES

[In cents]

(1) Item (only the case size, container type and container size are listed.)	(2) "Permitted increase" in "base period" prices for sales to all classes of purchasers other than consumers	(3) "Permitted increase" in "base period" f. o. b. prices for sales to consumers
Barrels:		
1	346.0	346.0
½	173.0	173.0
⅓	115.0	115.0
¼	86.5	86.5
⅙	58.0	58.0
⅛	43.0	43.0
Bottles (returnable and non-returnable):		
6/64	46.0	51.0
4/64	31.0	34.0
12/32	46.0	51.0
12/24	35.0	38.0
24/16	46.0	51.0
12/16	23.0	25.5
48/12 "special pack"	70.0	76.0
48/12	70.0	76.0
24/12	35.0	38.0
24/12 "special pack"	35.0	38.0
12/12	17.5	19.0
6/12	8.5	10.0
24/11¼	33.0	36.0
24/11½ "special pack"	33.0	36.0
24/11	32.0	35.0
24/11 "special pack"	32.0	35.0
12/11	16.0	17.5
48/8	46.5	51.0
36/8	35.0	38.0
24/8	23.5	25.5
12/8	11.5	13.0
48/7	41.5	44.0
36/7	31.0	33.0
24/7	20.5	22.0
12/7	10.5	11.0
48/6	35.0	38.0
36/6	26.0	28.0
24/6	17.5	19.0
12/6	8.5	10.0
Cans:		
12/32	46.0	48.0
48/12	68.0	72.0
48/12 "special pack"	68.0	72.0
24/12	34.0	36.0
24/12 "special pack"	34.0	36.0
12/12	17.0	18.0
6/12	8.5	9.0
48/8	46.0	48.0
36/8	34.0	36.0
24/8	22.5	24.0

NOTE: The "permitted increase" figures in Table III include adjustments for the increase in the United States excise tax on malt beverages, which became effective November 1, 1951.

TABLE IV—WHOLESALER'S "COMPENSATED FREIGHT INCREASES"

(1) Item (only the case size and container type and size are listed):	(2) *"Compensated freight increases"* (*in cents*)
Barrels:	
1	41
½	21
⅓	14
¼	10
⅙	7
⅛	5
Bottles (returnable and non-returnable):	
6/64	4
4/64	3
12/32	4
12/24	3
24/16	4
12/16	2
48/12	6
48/12 "special pack"	6
24/12	3
24/12 "special pack"	3
12/12	1
6/12	1
24/11½	3
24/11½ "special pack"	3

TABLE IV—WHOLESALER'S "COMPENSATED FREIGHT INCREASES"—Con.

(1) Item (only the case size and container type and size are listed):	(2) "Compensated freight increases" (in cents)
Bottles (returnable and non-returnable)—Cont.	
24/11	3
24/11 "special pack"	3
12/11	1
48/8	4
36/8	3
24/8	2
12/8	1
48/7	3
36/7	3
24/7	2
12/7	1
48/6	3
36/6	2
24/6	1
12/6	1
Cans:	
12/32	4
48/12	6
48/12 "special pack"	6
24/12	3
24/12 "special pack"	3
12/12	1
6/12	1
48/8	4
36/8	3
24/8	2

SEC. 32. *How a wholesaler is to determine his ceiling price for items of a different container size, container type or case size than those dealt in during the "base period"*—(a) *How to use this section.* This section applies to you if you are a wholesaler who wishes to sell to a particular class of purchaser an item (defined in section 90 (b) (8)) for which you cannot determine your ceiling price to that class of purchaser under section 31 but which differs only in case size or container size or container type (or any combination of those three characteristics) from an item for which you have already determined a ceiling price to that class of purchaser under this regulation. In that case, you must determine your ceiling price for sale of the particular item you wish to sell to that class of purchaser under the provisions of this section (except that your ceiling price for delivered sales to consumers must be determined as directed in section 35). However, in determining your ceiling prices under this section you must always regard a "special pack" case (defined in section 90 (b) (3)) of 11, 11½ or 12-ounce containers as an item of a different container size and container type (as well as case size) from a case which is not a "special pack" case. Of course, all "special pack" cases that have containers which actually are of the same container size and container type, are regarded as being items of the same container size and container type. (For example: A standard case of 24 12-ounce returnable bottles is considered as an item of a different case size, container size and container type from a "special pack" case of 24 12-ounce returnable bottles packed in four units of six containers each. But, a "special pack" case of 24 12-ounce returnable bottles packed in four units of six containers each, is an item of the same case size, container size and container type as a "special pack" case of 24 12-ounce returnable bottles packed in eight units of three containers each; and a "special pack" case of 48 12-ounce returnable bottles packed in eight units of six containers each is an item of the same container size and container type, though not of the same case size, as a "special pack" case of 36 12-ounce returnable bottles packed in nine units of four containers each.) If you cannot calculate your ceiling prices for a particular item under the provisions of this section, you must determine that ceiling price under section 33, 34, or 36, whichever is applicable.

(b) *Ceiling prices for items of different case size only.* This paragraph (b) applies to you if you are a wholesaler who wishes to sell to a class of purchaser, except to consumers on a delivered basis, an item (in bottles or cans) that differs only in case size from an item of the same brand and type for which you have determined a ceiling price to that class of purchaser under this regulation. (The item for which you have determined a ceiling price under this regulation is hereafter called your "key item".) In that case your ceiling price for sales to the particular class of purchaser of the item you are pricing is the price which is in the same proportion to the ceiling price for sales of your "key item" to that class of purchaser, as the proportion of the case size of the item you are pricing to the case size of your "key item". The ceiling price you determine is (i) an f. o. b. price, if the ceiling price for sale of your "key item" to the same class of purchaser is an f. o. b. price; (ii) a delivered price, if the ceiling price for sale of your "key item" to the same class of purchaser is a delivered price. In addition, that ceiling price may be adjusted or modified under the provisions of sections 70, 71, 76, and 78, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales of your "key item" to the same class of purchaser. Finally, you must comply with the notification provisions of section 37 (b) of this regulation, if that section applies to you, and of section 38.

(c) *Ceiling prices for barrels of different size only.* (1) This paragraph (c) applies to you if you are a wholesaler who wishes to sell to a class of purchaser, except to consumers on a delivered basis, a barrel (or fraction of a barrel) of malt beverages that differs only in size from a barrel (or fraction of a barrel) of the same brand and type for which you have determined a ceiling price to that class of purchaser under this regulation. (The barrel, or fraction thereof, for which you have determined a ceiling price under this regulation is hereafter called your "key item.") In that case, your ceiling price for sales to the particular class of purchaser of the item you are pricing is the price which is in the same proportion to the ceiling price for sales of your "key item" to that class of purchaser, as the proportion of the size of the item you are pricing to the size of your "key item." In addition, if the container size of the item you are pricing is ⅛ barrel you may increase that ceiling price 30 cents. However, if your "key item" is ⅛ barrel your ceiling price for sales to the particular class of purchaser of the item you are pricing is the price which is in the same proportion to the ceiling price for sales of your "key item" to that class of purchaser *less* 30 cents, as the proportion of the size of the item you are pricing to the size of your "key item."

(2) The ceiling price determined in subparagraph (1) is (i) an f. o. b. price, if the ceiling price for sale of your "key item" to the same class of purchaser is an f. o. b. price; (ii) a delivered price, if the ceiling price for sale of your "key item" to the same class of purchaser is a delivered price. In addition, that ceiling price may be adjusted or modified under the provisions of sections 70, 71, 76, and 78, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales of your "key item" to the same class of purchaser. Finally, you must comply with the notification provisions of section 37 (b) of this regulation, if that section applies to you, and of section 38.

EXAMPLE: The ceiling price you have previously determined under this regulation for delivered sales to retailers of a half-barrel of Z Beer is $10. Therefore, you select a half-barrel of Z Beer as your "key item". You now wish to determine your ceiling price for sales to retailers of ¼ barrel of Z Beer. Since ¼ barrel of beer is ½ the size of your "key item", your ceiling price for delivered sales to retailers of ¼ barrel of Z Beer is $5, which is ½ of your ceiling price of $10 for delivered sales to retailers of your "key item".

(d) *Ceiling prices for items by reference to another brand sold by you.* (1) This paragraph (d) applies to you under the following circumstances:

(i) You are a wholesaler who wishes to sell to a class of purchaser, except to consumers on a delivered basis, an item whose ceiling price you cannot determine under paragraph (b) or (c) of this section, and that item differs only in container size or container type or both container size and container type (or any combination of those two characteristics along with case size) from an item or items of the same brand and type for which you have determined your ceiling price to that class of purchaser under this regulation; and

(ii) You have determined a ceiling price under this regulation for sale to that class of purchaser of an item of the same container size, container type and (if the item you are pricing is sold in bottles or cans) case size as the item you are pricing but of a different brand (which will be called the "comparable brand") from that of the item you are pricing; and

(iii) You have determined a ceiling price under this regulation for sale to that class of purchaser of your largest selling item of the same brand as that of the item you are pricing, and that ceiling price is identical with the ceiling price (to the same class of purchaser) of the "comparable brand" item of the same container size, container type and (if your largest selling item is sold in bottles or cans) case size as that largest selling item.

If this paragraph applies to you, your ceiling price for sales to the particular class of purchaser of the item you are

pricing is the same as the ceiling price for sales to that class of purchaser of the "comparable brand" item of the same container size, container type and (if the item you are pricing is sold in bottles or cans) case size as the item you are pricing.

(2) The ceiling price determined in subparagraph (1) is (i) an f. o. b. price, if the ceiling price for sale to the same class of purchaser of your largest selling item of the same brand as the item you are pricing is an f. o. b. price; (ii) a delivered price, if the ceiling price for sale to the same class of purchaser of your largest selling item of the same brand as the item you are pricing is a delivered price. In addition, that ceiling price may be adjusted or modified under the provisions of section 70, 71, 76, and 78, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales to the same class of purchaser of your largest selling item of the same brand as the item you are pricing. Finally, you must comply with the notification provisions of section 37 (b) of this regulation, if that section applies to you, and of section 38.

EXAMPLE: You wish to determine your ceiling price for sales to retailers of a case of 36 7-ounce non-returnable bottles of Y Brand ale. You sell cases of 36 7-ounce non-returnable bottle of X Brand beer to retailers and your ceiling price for such sales (previously determined under this regulation) is $3.90. Your largest selling item of Y Brand ale is the 24 12-ounce returnable bottle size for which your ceiling price for sales to retailers is $3.60. $3.60 is also your ceiling price for sale to retailers of cases of 24 12-ounce returnable bottles of X Brand beer. Therefore, your ceiling price for sales to retailers of cases of 36 7-ounce non-returnable bottles of Y Brand ale is $3.90, the same as your ceiling price for 36 7-ounce non-returnable bottles of X Brand beer.

SEC. 33. *How a wholesaler is to determine his ceiling prices for certain items by reference to a competitive wholesaler.* This section applies to you if you are a wholesaler who wishes to sell to a class of purchaser an item whose ceiling price you cannot determine under either section 31 or 32, and that item differs only in container size or container type or both container size and container type (or any combination of those two characteristics along with case size) from an item (or items) of the same brand and type for which you have determined your ceiling price to that class of purchaser under this regulation. However, in determining your ceiling prices under this section you must always regard a "special pack" case (defined in section 90 (b) (3)) of 11, 11½ or 12-ounce containers as an item of a different container size and container type (as well as case size) from a case which is not a "special pack" case. Of course, all "special pack" cases that have containers which actually are of the same container size and container type, are regarded as being items of the same container size and container type. (For example: A standard case of 24 12-ounce returnable bottles is considered as an item of a different case size, container size and container type from a "special pack" case of 24 12-ounce returnable bottles packed in four units of six containers each. But, a "special pack" case of 24 12-ounce returnable bottles packed in four units of six containers each, is an item of the same case size, container size and container type as a "special pack" case of 24 12-ounce returnable bottles packed in eight units of three containers each; and a "special pack" case of 48 12-ounce returnable bottles packed in eight units of six containers each is an item of the same container size and container type, though not of the same case size, as a "special pack" case of 36 12-ounce returnable bottles packed in nine units of four containers each.) If this section applies to you, you must determine your ceiling price for sale of that item to the particular class of purchaser (except for delivered sales to consumers, to which section 35 applies) as follows:

(a) Of the items for which you have already determined ceiling prices under this regulation (for sales to the same class of purchaser as the class to which you wish to sell the item you are pricing) determine your largest selling item of the same brand and type as the item you are pricing. That largest selling item is your "key item."

(b) Select, as your "competitive wholesaler," a wholesaler who sells to the particular class of purchaser both: (1) An item of the same container size, container type and (if your "key item" is sold in bottles or cans) case size as your "key item" and whose ceiling price per case for such sales is equal to, or no more than 10 cents higher or lower than, your "key item's" ceiling price per case for sales to that class of purchaser, and (2) an item of the same container size and container type (but not necessarily of the same case size) as the item you are pricing (and of the same brand and type as that one of his items referred to in paragraph (b) (1)).

(c) Determine your "base figure" as follows: (1) If the item you are pricing is packed in cases, then

(i) If the case size of the "competitive wholesaler's" item of the same container size and container type as the item you are pricing is the *same* as the case size of the item you are pricing, the "competitive wholesaler's" ceiling price for sale to the particular class of purchaser of that case size, container size and container type of item is your "base figure."

(ii) If the case size of the "competitive wholesaler's" item of the same container size and container type as the item you are pricing is *different* from the case size of the item you are pricing, your "base figure" is the price which is in the same proportion to your "competitive wholesaler's" ceiling price for sale to the particular class of purchaser of his item of the same container size and container type as the item you are pricing, as the proportion of the case size of the item you are pricing to the case size of your "competitive wholesaler's" item of the same container size and container type.

(2) If the item you are pricing is a barrel (or fraction of a barrel), then the "competitive wholesaler's" ceiling price for sale to the particular class of purchaser of that container size and container type of item is your "base figure."

(For example: You wish to determine your ceiling price for sales to retailers of cases of 24 7-ounce returnable bottles. Your "competitive wholesaler's" ceiling price to retailers for 36 7-ounce returnable bottles is $3.90 per case. Since the case size of the item you are pricing is ⅔ the case size of your "competitive wholesaler's" item, your "base figure" is $2.60, which is ⅔ of your "competitive wholesaler's" ceiling price for sale of 36 7-ounce returnable bottles.)

(d) Divide your ceiling price for sales of your "key item" to the particular class of purchaser, by your "competitive wholesaler's" ceiling price for sales to that class of purchaser of his item of the same container size, container type, and (if your "key item" is sold in bottles or cans) case size as your "key item." The resulting figure is your "comparison factor." Your ceiling price for sales to the particular class of purchaser of the item you are pricing is determined by multiplying your "base figure" (arrived at in (c)) by that "comparison factor." The ceiling price you determine is (1) an f. o. b. price, if the ceiling price for sale of your "key item" to the same class of purchaser is an f. o. b. price; (2) a delivered price, if the ceiling price for sale of your "key item" to the same class of purchaser is a delivered price. In addition, that ceiling price may be adjusted or modified under the provisions of sections 70, 71, 76, and 78, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales of your "key item" to the same class of purchaser. Finally, you must comply with the notification provisions of section 37 (b) of this regulation, if that section applies to you, and of section 38.

EXAMPLE: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

(a) You wish to determine your ceiling price for sales to retailers of cases of 36 7-ounce non-returnable bottles of X Brand beer. The largest selling case and container size and type of X Brand beer for which you have already calculated a ceiling price to retailers under this regulation is 24 12-ounce returnable bottles, and that ceiling price was $3 per case. Therefore, your "key item" is 24 12-ounce returnable bottles of X Brand beer.

(b) Wholesaler W:

(1) sells Y Brand beer to retailers in 24 12-ounce returnable bottles (the same container size, container type, and case size as your "key item"), for which his ceiling price is $3.08 per case, and

(2) though he does not sell Y Brand beer to retailers in 36 7-ounce non-returnable bottles (the case size of the item you are pricing), he does sell it in 24 7-ounce non-returnable bottles, for which his ceiling price is $2.90 per case.

Since W sells items of the same container size, container type and case size as your "key item" and of the same container size and container type as the item you are pricing, and since W's ceiling price of $3.08 for sale of the same case and container size and type as your "key item" is less than 10 cents higher than your "key item's" ceiling price of $3, you may select W as your "competitive wholesaler."

(c) The case size of the item you are pricing (36 7-ounce non-returnable bottles) is 1½ times larger than the case size of the

"competitive wholesaler's" item of the same container size and container type (24 7-ounce non-returnable bottles). Therefore, your "base figure" is $4.35, which is 1½ times greater than your "competitive wholesaler's" ceiling price of $2.90 for sales of 24 7-ounce non-returnable bottles to retailers.

(d) Dividing $3 (your ceiling price for sales to retailers of your "key item") by $3.08 (your "competitive wholesaler's" ceiling price for sales to retailers of 24 12-ounce returnable bottles, the same case and container size and type as your "key item"), you arrive at .974, which is your "comparison factor" ($3÷$3.08=.974). Multiplying $4.35 (your "base figure") by .974 (your "comparison factor") gives you your ceiling price, for sales to retailers of cases of 36 7-ounce non-returnable bottles of X Brand beer, of $4.2369 which, under section 70 (b) (1), you may round up to $4.24.

SEC. 34. *How a wholesaler is to determine his ceiling prices for sales of items when the ceiling prices for those sales cannot be determined under either section 31, 32 or 33*—(a) *How to use this section.* This section applies to you if you are a wholesaler who wishes to sell to a class of purchaser an item (defined in section 90 (b) (8)) of imported or domestic malt beverages for which you cannot determine your ceiling price to that class of purchaser under either section 31, 32, or 33. In that case, you must determine your ceiling price for such sales (except for delivered sales to consumers, to which section 35 applies) under paragraph (c) of this section and, in determining that ceiling price, you must use the definition of "cost of acquisition" contained in paragraph (b) of this section (rather than the definition in section 90 (c) (1)).

(b) *Definition of "cost of acquisition."* For purposes of this section only, "cost of acquisition" means the total of:

(1) Your supplier's ceiling price per item for sale of the item to you less (i) all United States, State, and local taxes (other than excise taxes), fees and charges included in that ceiling price, and (ii) all charges, included in that ceiling price, which may be recovered upon return to your supplier of the containers and case in which the item is shipped.

(2) All transportation charges (as defined in section 90 (c) (9)) applicable to the particular item and actually incurred by you to transport the item from the supplier's customary shipping point to your customary receiving point, to the extent that those charges are not already included in the supplier's ceiling price.

(3) All transportation charges (as defined in section 90 (c) (9)), at rates currently in effect, that (under the arrangement you have with your supplier) must be incurred by you (in addition to the price you pay your supplier) to return to that supplier the empty case and containers in which the item is packed.

(4) All United States, State and local excise taxes, and United States customs duties applicable to the particular item and actually incurred by you, to the extent that those taxes and duties are not already included in your supplier's ceiling price.

(5) In the case of an imported item, the costs actually incurred by you to withdraw that item from customs custody, to the extent that those costs are not already included in your supplier's ceiling price.

(c) *Determination of ceiling prices.* If you are a wholesaler to whom this section applies, you must determine your ceiling price for sales of the item you are pricing to the particular class of purchaser (except for delivered sales of that item to consumers) as follows:

(1) Determine (i) the domestic items (if you are pricing a domestic item) of the same "container type" as the item you are pricing, or (ii) the imported items (if you are pricing an imported item) of the same "container type" as the item you are pricing, for which you have figured ceiling prices under this regulation for sales to that particular class of purchaser. (For purposes of this subparagraph (1) "container type" means "container type" as defined in section 90 (b) (5), except that returnable bottles and non-returnable bottles are considered the same "container type".) Of the items determined select the one whose "cost of acquisition" (defined in paragraph (b)) for a current customary purchase by you would be nearest to your "cost of acquisition" for a current customary purchase of the item for which you are calculating a ceiling price. That item is your "comparison item".

(2) Divide your ceiling price for sales of your "comparison item" to the particular class of purchaser by the "cost of acquisition" which you would incur if you made a customary purchase of that "comparison item" just before you calculate your ceiling price under this section. The resulting figure is your "markup factor" for sales of the item you are pricing to the particular class of purchaser.

(3) Multiply the "cost of acquisition" you would incur for a customary purchase of the item you are pricing just before you calculate your ceiling price under this section, by your "markup factor" (arrived at under subparagraph (2)). The resulting figure is your ceiling price for all subsequent sales of that item to the particular class of purchaser and is (i) an f. o. b. price, if the ceiling price for sale of your "comparison item" to the same class of purchaser is an f. o. b. price; (ii) a delivered price, if the ceiling price for sale of your "comparison item" to the same class of purchaser is a delivered price. In addition, that ceiling price may be adjusted or modified under the provisions of sections 70, 71, 76, and 78 of this regulation, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales of your "comparison item" to the same class of purchaser. You must also comply with the notification provisions of section 37 (b) of this regulation, if that section applies to you, and of section 38.

EXAMPLES: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

(1) You wish to determine your ceiling price for sales to retailers of cases of 24 12-ounce non-returnable bottles of Uncle Sam beer, a domestic item. Of the domestic items of the same container type (returnable and non-returnable bottles) for which you have already figured ceiling prices under this regulation, 24 12-ounce returnable bottles of Stars and Stripes ale is the item whose "cost of acquisition" for a current customary purchase by you would be nearest to your "cost of acquisition" for a current customary purchase of 24 12-ounce non-returnable bottles of Uncle Sam beer. Therefore, your "comparison item" is a case of 24 12-ounce returnable bottles of Stars and Stripes ale.

(2) Your ceiling price for sales of your "comparison item" to retailers is $3.42 and is a delivered price. The "cost of acquisition" you would incur for a current customary purchase of that "comparison item" is $2.80. (Note that "cost of acquisition", as defined in paragraph (b), is based on your supplier's ceiling price to you, whether or not your supplier is actually selling the item at his ceiling price.) Dividing $3.42 by $2.80 gives you 1.22, which is your "markup factor" for sales to retailers of a case of 24 12-ounce non-returnable bottles of Uncle Sam beer ($3.42÷$2.80=1.22).

(3) The "cost of acquisition" you would incur for a current customary purchase of a case of 24 12-ounce non-returnable bottles of Uncle Sam beer is $3.00. Multiplying $3.00 by 1.22 (your "markup factor" arrived at in (2)) gives you $3.66 ($3 x 1.22=$3.66) which is your ceiling price for delivered sales of that item to retailers.

SEC. 35. *How a wholesaler is to determine his ceiling prices for delivered sales to consumers.* This section applies to you if you are a wholesaler who wishes to sell an item or items to consumers on a delivered basis. In that case you must determine your ceiling prices for such delivered sales to consumers under the provisions of this regulation which apply to retailers. If, however, in determining your ceiling prices under the provisions of this regulation which apply to retailers, it is necessary for you to determine your "cost of acquisition" for a particular customary purchase of an item, you must regard your "cost of acquisition" for that particular customary purchase as the "cost of acquisition" you would have incurred if you purchased that item for the same price and under the same conditions as a retailer.

SEC. 36. *How a wholesaler is to determine his ceiling prices for sales of items when the ceiling prices for those sales cannot be determined under any other section of this regulation.* This section applies to you if you are, or intend to start in business as, a wholesaler of imported or domestic malt beverages and, for any reason, cannot determine your ceiling price for sales of an item to a particular class of purchaser under either section 31, 32, 33, 34 or 35. In that case, you may apply to your OPS District Office for the establishment of a ceiling price for sales of that item to the particular class of purchaser. Your application must be in writing, signed by you or a duly authorized officer, shall state that it is filed under this section and must contain the following information:

(a) A description of the item for which you wish a ceiling price (that is, the item's brand, type, container size, container type, and, if sold in returnable bottles, non-returnable bottles or cans, its case size), and what your "cost of acquisition" (defined in section 34 (b))

for a current customary purchase of that item would be.

(b) The class of purchaser to whom you wish to sell the item.

(c) An explanation of why you are unable to determine your ceiling price under sections 31, 32, 33, 34 or 35 for sales of the item to the particular class of purchaser.

(d) The names and addresses (if available) of the two wholesalers who you think are selling the items that are (or will be) the most closely competitive items to the one for which you wish a ceiling price, and a description of those items (that is, the brand, type, container size, container type, and, if sold in returnable bottles, non-returnable bottles or cans, the case size of each of the items). In addition, also state (if you can obtain the information) the ceiling prices in effect for sales of those two most closely competitive items to the same class of purchaser as that to whom you wish to sell the item for which you are making application under this section.

(NOTE: If, before June 9, 1952, you filed an application for ceiling prices under section 33 of the original CPR 117, but did not supply information as to what your "cost of acquisition" for a current customary purchase would be for each item covered by that application, you need not file a second application for those items under this section 38 and need only supply information as to your "costs of acquisition" for current customary purchases of those items if OPS sends you a letter requesting you to do so.)

After your application is filed, the Office of Price Stabilization may, by amendment or order, establish a ceiling price for sales of the item to the particular class of purchaser which is in line with the level of ceiling prices otherwise established under this regulation. You may not sell the item to the particular class of purchaser until after such amendment or order is issued and becomes effective. However, if you have established a ceiling price under the General Ceiling Price Regulation (GCPR), CPR 31, or CPR 117 for sale of the item to that class of purchaser, you may continue to make such sales at or below your GCPR, CPR 31, or CPR 117 ceiling price until the amendment or order applied for under this section is issued and takes effect. In any event you may not sell the item to the particular class of purchaser either at or below your GCPR, CPR 31, or CPR 117 ceiling price after August 4, 1952, unless you have by that date placed in the mail, properly addressed and completed, your application for a ceiling price under this section. Finally, you must comply with the notification provisions of section 37 (b) of the regulation, if that section applies to you, and of section 38.

SEC. 37. *How a wholesaler is to determine his ceiling prices for sales of certain newly labeled items*—(a) *How you must compute your ceiling prices.* This section applies to you if you are a wholesaler of imported or domestic malt beverages who receives the following notice from your supplier:

OPS CEILING PRICES FOR ITEM WITH NEW LABEL

The Office of Price Stabilization has authorized us to inform you that, for purposes of calculating your ceiling prices under CPR 117, Revision 1, you must regard (brand and type of newly labeled malt beverage) and (brand and type of the "comparable malt beverage") as the same item. Therefore, you must determine your ceiling prices for each container size, container type and case size of (brand and type of newly labeled malt beverage) under the applicable sections of CPR 117, Revision 1, just as if it were the same item as the particular container size, container type and case size of (brand and type of the "comparable malt beverage").

The Office of Price Stabilization requires you to keep a copy of this notice for examination.

In that case you must determine your ceiling prices for the newly labeled malt beverage under section 31, 32, 33, 34, 35 or 36 (whichever applies) just as if it were the "comparable malt beverage", and for purposes of pricing under those sections, you must regard the newly labeled item as if it were an item of the same brand and type as the "comparable malt beverage". In other words, the ceiling prices determined for the newly labeled malt beverage must be identical with the ceiling prices you have (or could have) determined for the "comparable malt beverage". Finally, you must comply with the notification provisions of paragraph (b) of this section.

EXAMPLE: You are a wholesaler who has received the following notice from your supplier:

OPS CEILING PRICES FOR ITEM WITH NEW LABEL

The Office of Price Stabilization has authorized us to inform you that, for purposes of calculating your ceiling prices under CPR 117, Revision 1, you must regard Y Brand beer and X Brand beer as the same item. Therefore, you must determine your ceiling prices for each container size, container type and case size of Y Brand beer under the applicable sections of CPR 117, Revision 1, just as if it were the same item as the particular container size, container type and case size of X Brand beer.

The Office of Price Stabilization requires you to keep a copy of this notice for examination.

The last time you sold X Brand beer was September 1950 and you now want to start selling Y Brand beer. However, if you were calculating your ceiling price for sales to retailers of 24 12-ounce returnable bottles of X Brand beer you would do so under section 31. Your "base period" (May 24–June 24, 1950) price for sales to retailers of a case of 24 12-ounce returnable bottles of X Brand beer was $3.50, delivered. That is now considered your "base period" price for sales of 24 12-ounce returnable bottles of Y Brand beer to retailers.

In Column 1 of Table III you find the line on which is listed the item you are pricing (24 12-ounce returnable bottles). Following that line across to Column 2, you find 35 cents, the "permitted increase" figure for delivered sales to retailers of a case of 24 12-ounce returnable bottles of beer. In addition, since (as of December 31, 1951) it cost you 4½ cents more to transport a case of 24 12-ounce returnable bottles of Y Brand beer from your supplier to you, and return the empty case and container to him, than it cost you to transport and return a similar case of X Brand beer during the "base period", your "freight cost" for Y Brand beer is 4½ cents. This is 1½ cents higher than the amount of the "compensated freight increase" shown in Table IV for that item and, therefore, your "additional freight cost adjustment" is 1½ cents. Your delivered ceiling price for sales to retailers of a case of 24 12-ounce returnable bottles of Y Brand beer is, therefore, $3.86½ ($3.50+35 cents +1½ cents = $3.86½) which, under section 70 (b) (1) you may round up to $3.87. In addition, you must give to your purchasers the written notice required under paragraph (b).

(b) *Notification to purchasers.* If you are a wholesaler to whom this section applies and who has determined his ceiling prices (as directed in paragraph (a)) for sales of a newly labeled malt beverage, you must, in turn, give copies of the written notice you have received to: (1) all wholesalers who purchased the "comparable malt beverage" from you during the "base period" and now purchase the newly labeled malt beverage from you; (2) all retailers and "on-premise licensees" who (i) purchased the "comparable malt beverage" from you between December 19, 1950 and October 31, 1951, inclusive, (ii) did not purchase the newly labeled malt beverage from you between December 19, 1950 and October 31, 1951, inclusive, and (iii) purchase (or purchased) the newly labeled malt beverage from you within 2 months after you first offer (or offered) it for sale. That notice must be given to each such wholesaler, retailer, or "on-premise licensee" either on or before the day you first deliver the newly labeled malt beverage to him after August 4, 1952. In addition, you must mail a copy of the notice to your OPS District Office on or before the day you make your first delivery of the newly labeled malt beverage after August 4, 1952.

SEC. 38. *Wholesalers' notification of ceiling prices.* (a) If you are a wholesaler and you determine your ceiling prices under this regulation for sales of imported or domestic malt beverages, you must give to each of your purchasers (other than consumers) either at the time of, or before, your first delivery of any of your items to that purchaser after January 28, 1952, a written notice as follows:

NOTICE OF CEILING PRICES

The Office of Price Stabilization has authorized us to establish the following prices for sales to you of our malt beverages.

Item	*Ceiling price*
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(List each item, defined in section 90 (b) (8), for which you have established a ceiling price for sale to the class of purchaser to whom your notice is given.)

Our ceiling prices include all Federal taxes and (specify State or local taxes, if any, included). The Office of Price Stabilization requires you to keep a copy of this notice for examination.

(b) You need only give the above notice to a purchaser once and, of course, you need not give a second notice to a purchaser to whom you gave a notice under section 24 of the original CPR 117. However, (1) if you establish a ceiling price for sale to a purchaser of an item not listed in any previous notice you

gave to him (under this section or section 24 of the original CPR 117) or (2) if, for any reason, there is a change in the ceiling price which was listed for sale of an item to a purchaser in the last notice you gave to him (under this section or section 24 of the original CPR 117) which covered that item, then you must give that purchaser an additional notice (listing the new ceiling prices for the particular item) at or before the time you make your first delivery of the item to him at that new ceiling price.

ARTICLE IV—SELLERS WHO PRICE AS WHOLESALERS

SEC. 40. *How brewers' branches are to determine their ceiling prices.* This section applies to you if you are a brewer's branch (defined in section 90 (a) (2)). In that case, you are to determine your ceiling prices for sales of malt beverages, as a wholesaler under the provisions of this regulation which apply to wholesalers. Therefore, for purposes of those provisions of this regulation which apply to wholesalers, a brewer's branch is considered a wholesaler.

SEC. 41. *How an importer is to determine his ceiling prices for certain items.* This section applies to you if you are an importer who sells the same item of imported malt beverages to both wholesalers and retailers (or "on-premise licensees"). In that case, you are to determine your ceiling price for sales of that item to retailers and "on-premise licensees" under the provisions of this regulation which apply to wholesalers. Therefore, for purposes of those provisions of this regulation which apply to wholesalers, you are considered a wholesaler of that item to the extent that you sell it to retailers and "on-premise licensees." (Your ceiling prices for sales of that item to any class of purchaser other than retailers and "on-premise licensees" continue, of course, to be covered by CPR 31, or whichever other regulation may become applicable to you.)

SEC. 42. *How home distributors are to determine their ceiling prices.* This section applies to you if you are a home distributor (defined in section 90 (a) (13)). In that case you are to determine your ceiling prices, for sales of malt beverages, as a wholesaler under the provisions of this regulation which apply to wholesalers. For purposes of those provisions of this regulation which apply to wholesalers, therefore, a home distributor is considered a wholesaler.

ARTICLE V—RETAILERS

SEC. 50. *How retailers are to calculate and recalculate their ceiling prices for items sold between December 19, 1950 and October 31, 1951, inclusive*—(a) *How to use this section.* This section applies to you if you are a retailer of imported or domestic malt beverages. It tells you how to calculate and recalculate your ceiling prices both for case sales and individual container sales to consumers of items you sold between December 19, 1950 and October 31, 1951, inclusive. It also refers you to other provisions of this regulation which relate to those ceiling prices. In general, it is provided that your ceiling price for sales of an item to consumers is figured by adjusting your October, 1951 ceiling price to reflect changes in your "cost of acquisition" for that item. It is important for you to remember that, after you have first calculated your ceiling price for an item under this section, you may recalculate the item's ceiling price whenever the "cost of acquisition" incurred for it increases, but you must recalculate the item's ceiling price whenever the "cost of acquisition" incurred for it decreases. Before reading this section you should first read section 90 (b) (8), which tells you what is meant by an "item" and section 90 (c) (1), which tells you what "cost of acquisition" is. If you did not sell a particular item to consumers between December 19, 1950 and October 31, 1951, inclusive, you must determine your ceiling price for that item under section 51, 52 or 53 of this regulation, whichever is applicable.

(b) *Determination of your ceiling prices for case sales.* If you are a retailer of an item of imported or domestic malt beverages to whom this section applies your ceiling price for sale of a case of that item to consumers is figured as follows:

(1) Determine the highest price at which you made a customary sale of a case of that item to consumers during the month of October, 1951. If you did not sell a case of that item to consumers during October, 1951, determine the price at which you made your last customary sale of a case of that item to consumers before October 1, 1951 (but you must not use the price charged for a sale made before December 19, 1950). In no event may the price you determine under this subparagraph (1) exceed your ceiling price for the item which was established under the GCPR, as amended, or CPR 31, as amended (whichever was applicable to you), nor may that price include any deposit charge for case or containers.

(2) Determine the difference between: (i) Your base "cost of acquisition", that is, your highest "cost of acquisition" for a customary purchase of the item during October 1951 (or, if you made no customary purchase of the item during October, 1951, the "cost of acquisition" for your last customary purchase before October 1, 1951), and

(ii) Your current "cost of acquisition", that is, the "cost of acquisition" for your most recent customary purchase of the item.

If that difference ends in a fraction of a cent you may increase it to the next higher full cent if the fraction is one-half cent or more, but you must reduce it to the next lower full cent if the fraction is less than one-half cent. The resulting figure is your "cost change per case" for the item.

(3) Consult the first column of Table V (in Appendix A) for the line on which is listed the amount of your "cost change per case" for the item. Then follow that line across to the figure applicable to cases in the column which is headed with the same case size as the case size of the item you are pricing. That figure is your "adjustment factor per case" for the item you are pricing.

(4) (i) Add your "adjustment factor per case" to the price determined in subparagraph (1), if your current "cost of acquisition" is greater than your base "cost of acquisition"; but (ii) subtract your "adjustment factor per case" from the price determined in subparagraph (1), if your current "cost of acquisition" is less than your base "cost of acquisition." The resulting figure is your ceiling price for sales of a case of the particular item to consumers. That ceiling price, however, may be adjusted or modified under the provisions of sections 70, 71, 76, 77 and 78 of this regulation, if applicable. In addition, you may recalculate your ceiling price for the item (under the provisions of this section) whenever the "cost of acquisition" incurred for it increases above that upon which the last calculation (or recalculation) of your ceiling price was based, but must recalculate your ceiling price for the item (under the provisions of this section) whenever the "cost of acquisition" incurred for it decreases below that upon which the last calculation (or recalculation) of your ceiling price was based. Finally, you must comply with the provisions of section 73 of this regulation, which require you to post your ceiling prices to consumers.

EXAMPLE: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

Part I

(1) The highest price at which you made a customary sale to consumers of a case of 24 12-ounce returnable bottles of X Brand beer during October, 1951, was $4.

(2) Your base "cost of acquisition" for that item was $3. (Base "cost of acquisition" is your highest "cost of acquisition" for a customary purchase of the item during October, 1951.) Your "cost of acquisition" for your most recent customary purchase of that item before the effective date of this regulation was $3.20. That $3.20 is your current "cost of acquisition." The difference between your base "cost of acquisition" and current "cost of acquisition" therefore, is 20 cents ($3.20−$3=20 cents) which is your "cost change per case" for the item.

(3) Following the line, in the first column of Table V (appearing in Appendix A), on which is listed "20" across to the column headed "24 containers" (the same case size as that of the item you are pricing) you find that 26 cents is your "adjustment factor per case" for the item.

(4) Since your current "cost of acquisition" is greater than your base "cost of acquisition" you add your 26 cents "adjustment factor per case" to $4 (the price determined in (1)), to arrive at $4.26, your ceiling price for a case of 24 12-ounce returnable bottles of X Brand beer.

Part II

After the date you calculated your ceiling price of $4.26 for a case of 24 12-ounce returnable bottles of X Brand beer, you made a customary purchase of that item for $3.15. Since, therefore, your "cost of acquisition" for that item has changed from the $3.20 "cost of acquisition" upon which your $4.26 ceiling price was based, you must recalculate your ceiling price as follows:

(1) As stated in Part I of this Example, the highest price at which you made a customary sale to consumers of a case of 24

12-ounce returnable bottles of X Brand beer during October, 1951, was $4.

(2) Your base "cost of acquisition" for that item was (as shown in Part I of this Example) $3. Your "cost of acquisition" for your most recent customary purchase of that item was $3.15. That $3.15 is your current "cost of acquisition." The difference between your base "cost of acquisition" and current "cost of acquisition" therefore, is 15 cents ($3.15−$3=15 cents) which is your "cost change per case" for the item.

(3) Following the line in the first column of Table V (appearing in Appendix A), on which is listed "15" across to the column headed "24 containers" (the same case size as that of the item you are pricing) you find that 20 cents is your "adjustment factor per case" for the item.

(4) Since your current "cost of acquisition" is greater than your base "cost of acquisition" you add your 20 cents "adjustment factor per case" to $4 (the price determined in (1)), to arrive at $4.20, your recalculated ceiling price for a case of 24 12-ounce returnable bottles of X Brand beer. (Note that although your $4.20 recalculated ceiling price is higher than the $4 price you were charging in October, 1951, because your cost increased since that time, it is lower than your previous ceiling price of $4.26 because your cost decreased after you calculated that $4.26 ceiling price.)

(c) *Determination of your ceiling prices for sales of individual containers.* If you are a retailer of an item of imported or domestic malt beverages to whom this section applies your ceiling price for sales of individual containers of that item to consumers is figured as follows:

(1) Determine the highest price at which you made a customary sale of an individual container of that item to consumers during the month of October, 1951. If you did not sell individual containers of that item to consumers during October, 1951, determine the price at which you made your last customary sale of an individual container of that item to consumers before October 1, 1951 (but you must not use the price charged for a sale made before December 19, 1950). In no event may the price you determine under this subparagraph (1) exceed your ceiling price for the item which was established under the GCPR, as amended, or CPR 31, as amended (whichever was applicable to you) nor may that price include any deposit charge for case or containers.

(2) Determine the difference between: (i) Your base "cost of acquisition", this is, your highest "cost of acquisition" for a customary purchase of the item during October, 1951 (or, if you made no customary purchase of the item during October, 1951, the "cost of acquisition" for your last customary purchase before October 1, 1951), and

(ii) Your current "cost of acquisition", that is, the "cost of acquisition" for your most recent customary purchase of the item.

If that difference ends in a fraction of a cent you may increase it to the next higher full cent if the fraction is one-half cent or more, but you must reduce it to the next lower full cent if the fraction is less than one-half cent. The resulting figure is your "cost change per case" for the item.

(3) Consult the first column of Table V (in Appendix A) for the line on which is listed the amount of your "cost change per case" for the item. Then follow that line across to the figure applicable to individual containers in the column which is headed with the same case size as the case size of the item you are pricing. That figure is your "adjustment factor per individual container" for the item you are pricing.

(4) (i) Add your "adjustment factor per individual container" to the price determined in subparagraph (1), if your current "cost of acquisition" is greater than your base "cost of acquisition"; but (ii) subtract your "adjustment factor per individual container" from the price determined in subparagraph (1) if your current "cost of acquisition" is less than your base "cost of acquisition."

(5) Your ceiling price for sale of one individual container of the particular item is the figure arrived at in subparagraph (4), except that if that figure ends in one-half cent you may increase it to the next higher full cent. Your ceiling price for sale of more than one individual container of the item (but less than a full case of the item) is determined by multiplying the figure arrived at in subparagraph (4) by the number of containers being sold and, if the resulting price ends in one-half cent, rounding it to the next higher full cent. The ceiling price you determine (either for sales of one individual container or of more than one individual container) may be adjusted or modified under the provisions of sections 70, 71, 76, 77 and 78 of this regulation, if applicable. In addition, you may recalculate your ceiling price for the item (under the provisions of this section) whenever the "cost of acquisition" incurred for it increases above that upon which the last calculation (or recalculation) of your ceiling price was based, but must recalculate your ceiling price for the item (under the provisions of this section) whenever the "cost of acquisition" incurred for it decreases below that upon which the last calculation (or recalculation) of your ceiling price was based. Finally, you must comply with the provisions of section 73 of this regulation, which require you to post your ceiling prices to consumers.

EXAMPLE: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

Part I

(1) The highest price at which you made a customary sale of an individual container of 24 12-ounce returnable bottles of X Brand beer during October, 1951, was 18 cents.

(2) Your base "cost of acquisition" for that item was $3. (Base "cost of acquisition" is your highest "cost of acquisition" for a customary purchase of the item during October, 1951.) Your "cost of acquisition" for your most recent customary purchase of that item before the effective date of this regulation was $3.05. That $3.05 is your current "cost of acquisition". The difference between your base "cost of acquisition" and current "cost of acquisition" is 5 cents ($3.05−$3=5 cents) which is your "cost change per case" for the item.

(3) Following the line, in the first column of Table V (appearing in Appendix A), on which is listed "5" across to the column headed "24 containers" (the same case size as that of the item you are pricing) you find that ½ cent is your "adjustment factor per individual container" for the item.

(4) Your current "cost of acquisition" is greater than your base "cost of acquisition". Therefore, you add your ½ cent "adjustment factor per individual container" to 18 cents (the price determined in (1)) and arrive at 18½ cents.

(5) Your ceiling price for sales to consumers of one 12-ounce returnable bottle of X Brand beer is determined by rounding the 18½ cent figure, arrived at in subparagraph (4), to the next higher full cent, and is 19 cents. But the ceiling price for sale of two 12-ounce returnable bottles of X Brand beer is determined by multiplying 18½ cents (the figure arrived at in subparagraph (4)) by 2 and is 37 cents (18½ cents×2=37 cents). Moreover, your ceiling price for sale of three 12-ounce returnable bottles of X Brand beer is determined by multiplying 18½ cents by 3, which gives you 55½ cents (18½ cents ×3=55½ cents), and rounding that price up to 56 cents.

Part II

After the date you calculated your ceiling price, for sale of one 12-ounce returnable bottle of X Brand beer, of 19 cents (2 for 37 cents), you made a customary purchase of a case of that item for $3.25. Since, therefore, your "cost of acquisition" for that item has changed from the $3.05 "cost of acquisition" upon which your 19 cents (2 for 37 cents) ceiling price was based, you may recalculate your ceiling price as follows:

(1) As stated in Part I of this Example, the highest price at which you made a customary sale to consumers of an individual container of 24 12-ounce returnable bottles of X Brand beer during October, 1951, was 18 cents.

(2) Your base "cost of acquisition" for that item was (as shown in Part I of this Example) $3. Your "cost of acquisition" for your most recent customary purchase of that item was $3.25. That $3.25 is your current "cost of acquisition." The difference between your base "cost of acquisition" and current "cost of acquisition" therefore, is 25 cents ($3.25−$3=25 cents) which is your "cost change per case" for the item.

(3) Following the line in the first column of Table V (appearing in Appendix A), on which is listed "25" across to the column headed "24 containers" (the same case size as that of the item you are pricing) you find that 1½ cents is your "adjustment factor per individual container" for the item.

(4) Your current "cost of acquisition" is greater than your base "cost of acquisition". Therefore, you add your 1½ cent "adjustment factor per individual container" to 18 cents (the price determined in (1)) and arrive at 19½ cents.

(5) Your recalculated ceiling price for sales to consumers of one 12-ounce returnable bottle of X Brand beer is determined by rounding the 19½ cent figure, arrived at in subparagraph (4), to the next higher full cent, and is 20 cents. But the recalculated ceiling price for sale of two 12-ounce returnable bottles of X Brand beer is determined by multiplying 19½ cents (the figure arrived at in subparagraph (4)) by 2 and is 39 cents (19½ cents x 2=39 cents). Moreover, your recalculated ceiling price for sale of three 12-ounce returnable bottles of X Brand beer is determined by multiplying 19½ cents by 3, which gives you 58½ cents (19½ cents x 3=58½ cents), and rounding that price up to 59 cents. (Note that your 20 cents (2 for 39 cents) recalculated ceiling price is higher than both the 18 cent price you were charging in October,

1951 and your previous ceiling price of 19 cents (2 for 37 cents) because your cost increased after October, 1951 and increased again after you calculated your previous ceiling price.)

SEC. 51. *How a retailer is to determine his initial ceiling prices for items not sold between December 19, 1950 and October 31, 1951, inclusive.* This section applies to you if you are (or intend to be) a retailer who wishes to sell to consumers an item (defined in section 90 (b) (8)) of imported or domestic malt beverages which you did not sell to consumers between December 19, 1950 and October 31, 1951, inclusive, or for which you cannot determine your ceiling price under section 50. In that case, your initial ceiling prices to consumers, for case sales and individual container sales of the item you wish to sell, must be the same as the ceiling prices for sales to consumers (in cases and individual containers, respectively) of the identical item by your most closely competitive seller. Those initial ceiling prices may be adjusted or modified under the provisions of sections 54, 70, 71, 76 and 78 of this regulation, if applicable, but you must maintain the same terms and conditions of sale and delivery as your most closely competitive seller is required by section 77 to maintain for sales of that item to consumers. In addition, you must comply with the provisions of section 73 of this regulation (which require you to post your ceiling prices to consumers). If you cannot find out the ceiling price of your most closely competitive seller for sales of the item you wish to sell, or if, for any other reason, you cannot determine your ceiling price under this section, you must determine your initial ceiling price under section 52 or 53 (whichever applies).

SEC. 52. *How a retailer is to determine his initial ceiling prices for sales of items when the ceiling prices for those sales can not be determined under either section 50 or 51*—(a) *How to use this section.* This section applies to you if you are a retailer who wishes to sell to consumers an item (defined in section 90 (b) (8)) of imported or domestic malt beverages for which you cannot determine your initial ceiling price to consumers under either section 50 or 51. (For example: You may not be able to determine your initial ceiling price for the item under section 50 because you did not sell that particular item between December 19, 1950 and October 31, 1951, inclusive, and you may not be able to determine your initial ceiling price for the item under section 51 because you cannot find a competitor who sells that particular item.) In that case, paragraph (b) of this section tells you how to determine your initial ceiling price for case sales of the item, and paragraph (c) tells you how to convert that per case ceiling price into ceiling prices for sales of individual containers. Before reading this section, however, you should first read the definition of "cost of acquisition" in section 90 (c) (1). If, for any reason, you cannot determine your initial ceiling price for the item under this section you must apply for your initial ceiling price under section 53.

(b) *Determination of initial ceiling prices for case sales.* If you are a retailer to whom this section applies you must calculate your initial ceiling price for case sales of a particular item to consumers as follows:

(1) Determine (i) the domestic items (if you are pricing a domestic item) of the same "container type" as the item you are pricing, or (ii) the imported items (if you are pricing an imported item) of the same "container type" as the item you are pricing, for which you have figured ceiling prices under this regulation for case sales to consumers. (For purposes of this subparagraph (1) "container type" means "container type" as defined in section 90 (b) (5), except that returnable bottles and nonreturnable bottles are considered the same "container type.") Of the items determined, select the one whose supplier's ceiling price to you is nearest to the supplier's ceiling price to you of the item you are pricing. That item is your "comparison item."

(2) Divide your current ceiling price per case for sales of your "comparison item" to consumers, by the "cost of acquisition" which you would incur if you made a customary purchase of that "comparison item" just before you calculate your ceiling price under this section. The resulting figure is your "markup factor" for case sales of the item you are pricing to consumers.

(3) Multiply the "cost of acquisition" for your last customary purchase of the item you are pricing before you make your calculations under this section, by your "markup factor" (arrived at under subparagraph (2)). The resulting figure is your initial ceiling price for case sales of that item to consumers. That initial ceiling price may be adjusted or modified under the provisions of Sections 54, 70, 71, 76 and 78, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for case sales of your "comparison item" to consumers. In addition, you must comply with the provisions of section 73 of this regulation, which requires you to post your ceiling prices to consumers.

EXAMPLE: The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.

(1) You wish to determine your ceiling price for sales to consumers of cases of 24 12-ounce non-returnable bottles of Uncle Sam beer, a domestic item. Of the domestic items of the same container type (returnable and non-returnable bottles) for which you have already figured ceiling prices under this regulation, 24 12-ounce returnable bottles of Stars and Stripes ale is the item whose supplier's ceiling price to you is nearest to the supplier's ceiling price to you for 24 12-ounce non-returnable bottles of Uncle Sam beer. Therefore, your "comparison item" is a case of 24 12-ounce returnable bottles of Stars and Stripes ale.

(2) Your ceiling price for sales of your "comparison item" to consumers is $4.45 and is a delivered price. The "cost of acquisition" (defined in section 90 (c) (1)) you would incur for a current customary purchase of that "comparison item" is $3.42. Dividing $4.45 by $3.42 gives you 1.30, which is your "markup factor" for sales to consumers of a case of 24 12-ounce non-returnable bottles of Uncle Sam beer ($4.45÷$3.42=1.30).

(3) The "cost of acquisition" you would incur for a current customary purchase of a case of 24 12-ounce non-returnable bottles of Uncle Sam beer is $3.66. Multiplying $3.66 by 1.30 (your "markup factor" arrived at in (2)) gives you $4.76 ($3.66×1.30=$4.76) which is your ceiling price for sales of that item to consumers.

(c) *Determination of initial ceiling prices for sales of individual containers.* If you are a retailer and have calculated your ceiling price under paragraph (b) for case sales of a particular item to consumers, your initial ceiling price for sales to consumers of individual containers of that item is figured as follows:

(1) Divide your current ceiling price for case sales of the "comparison item" to consumers, by the number of containers of that "comparison item" customarily packed in a case by your supplier.

(2) Determine the dollar-and-cent difference between the figure arrived at in subparagraph (1) and your current ceiling price for sales to consumers of an individual container of that "comparison item". The resulting figure is your "customary differential" for sales of individual containers of the item you are pricing.

(3) Divide your initial ceiling price (determined under paragraph (b)), for case sales to consumers of the item you are pricing, by the number of containers of that item customarily packed in a case by your supplier.

(4) (i) Add your "customary differential" to the figure arrived at in subparagraph (3), if your current ceiling price for sale to consumers of an individual container of your "comparison item" is greater than the figure determined under subparagraph (1); but (ii) subtract your "customary differential" from the figure arrived at in subparagraph (3), if your current ceiling price for sale to consumers of an individual container of your "comparison item" is less than the figure determined under subparagraph (1). If the resulting figure ends in a fraction of a cent you are to adjust it as follows:

(*a*) If the fraction is less than ¼ cent, you must reduce that figure to the next lower full cent;

(*b*) If the fraction is ¼ cent or more, but less than ½ cent, you may increase that figure to the next higher half cent;

(*c*) If the fraction is ½ cent or more, but less than ¾ cent, you must reduce that figure to the next lower half cent;

(*d*) If the fraction is ¾ cent or more, you may increase that figure to the next higher full cent.

(5) Your initial ceiling price for sale of one individual container of the particular item is the final figure arrived at in subparagraph (4), except that if that figure ends in one-half cent you may increase it to the next higher full cent. Your initial ceiling price for sale of more than one individual container of the item (but less than a full case of the item) is determined by multiplying the final figure arrived at in subparagraph (4) by the number of containers being

sold and, if the resulting price ends in one-half cent, rounding it to the next higher full cent. The initial ceiling price you determine (either for sales of one individual container or of more than one individual container) may be adjusted or modified under the provisions of sections 54, 70, 71, 76 and 78 of this regulation, if applicable, but you must maintain the same terms and conditions of sale and delivery as you are required by section 77 to maintain for sales of your "comparison item" to consumers. In addition, you must comply with the provisions of section 73 of this regulation, which require you to post your ceiling prices to consumers.

EXAMPLE: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

(1) The item for which you are determining your initial ceiling price is a case of 24 12-ounce returnable bottles of Y Brand beer. The "comparison item", by reference to which you determined your initial ceiling price (under paragraph (b)) for case sales of the item you are pricing, is a case of 24 12-ounce returnable bottles of X Brand beer. The section 50 (b) current ceiling price for case sales of X Brand beer is $3.60. Dividing that by 24 (the number of containers packed in a case of that "comparison item") gives you 15 cents ($3.60÷24=15 cents).

(2) Your current ceiling price (which you determined under section 50 (c)) for sales to consumers of an individual container of X Brand beer is 16 cents. The difference between that 16 cents and 15 cents (the figure arrived at in subparagraph (1)) is 1 cent, which is your "customary differential".

(3) Your initial ceiling price (determined under paragraph (b)) for sales to consumers of a case of 24 12-ounce returnable bottles of Y Brand beer is $3.68. Dividing that by 24 (the number of containers packed in a case of that item) gives you 15.3 cents ($3.68÷24=15.3 cents).

(4) Since your current ceiling price of 16 cents for sale of an individual container of your "comparison item" (X Brand beer) is greater than 15 cents, the figure determined under subparagraph (1), you add your "customary differential" of 1 cent to 15.3 cents (the figure arrived at in subparagraph (3)), which gives you 16.3 cents. 16.3 cents ends in a fraction which is more than ¼ cent (but less than ½ cent), therefore you may increase it to 16½ cents, the next higher ½ cent.

(5) Your initial ceiling price for sales to consumers of one 12-ounce returnable bottle of Y Brand beer is determined by rounding the 16½ cent figure, arrived at in subparagraph (4), to the next higher full cent, and is 17 cents. But the initial ceiling price for sale of two 12-ounce returnable bottles of Y Brand beer is determined by multiplying 16½ cents (the final figure arrived at in subparagraph (4)) by 2 and is 33 cents (16½ cents x 2=33 cents). Moreover, your initial ceiling price for sale of three 12-ounce returnable bottles of Y Brand beer is determined by multiplying 16½ cents by 3, which gives you 49½ cents (16½ cents x 3=49½ cents), and rounding that price up to 50 cents.

SEC. 53. *How a retailer is to determine his initial ceiling prices for sales of items when the ceiling prices for those sales cannot be determined under any other section of this regulation.* This section applies to you if you are (or intend to be) a retailer of imported or domestic malt beverages and, for any reason, cannot determine your ceiling price for sales to consumers of an item under either section 50, 51 or 52. In that case, you may apply to your OPS District Office for the establishment of an initial ceiling price for sales of that item to consumers. Your application must be in writing, signed by you or a duly authorized officer, shall state that it is filed under this section and must contain the following information:

(a) A description of the item for which you wish an initial ceiling price (that is, the item's brand, type, container size, container type and, if sold in returnable bottles, non-returnable bottles or cans, its case size), and what your "cost of acquisition" (defined in section 90 (c) (1)) for a current customary purchase of that item would be.

(b) An explanation of why you are unable to determine your initial ceiling price under either section 50, 51 or 52 for sales of the item to consumers.

NOTE: If, before June 9, 1952, you filed an application for ceiling prices under section 53 of the original CPR 117, but did not supply information as to what your "cost of acquisition" for a current customary purchase would be for each item covered by that application, you need not file a second application for those items under this section 53 and need only supply information as to your "costs of acquisition" for current customary purchases of those items if OPS sends you a letter requesting you to do so.

After your application is filed, the OPS may, by amendment or order, establish initial ceiling prices for case sales and individual container sales of the item to consumers which are in line with the level of ceiling prices otherwise established under this regulation. You may not sell the item to consumers until after such amendment or order is issued and becomes effective. However, if you have established a ceiling price under the GCPR, CPR 31 or CPR 117 for sales of the item to consumers, you may continue to make such sales at or below your GCPR, CPR 31 or CPR 117 ceiling price until the amendment or order applied for under this section is issued and takes effect. In any event, you may not sell the item to consumers either at or below your GCPR, CPR 31 or CPR 117 ceiling prices after August 18, 1952, unless and until you first place in the mail, properly addressed and completed, your application for a ceiling price under this section. Finally, the initial ceiling prices established for you under this section may subsequently be recalculated under the provisions of section 54.

SEC. 54. *Recalculation of ceiling prices initially determined under section 51, 52 or 53.*—(a) *How to use this section.*—(1) *When a retailer must recalculate his ceiling prices.* This section applies to you if you are a retailer of imported or domestic malt beverages who initially determined the ceiling price for a particular item either under section 51, 52 or 53. In that case you may recalculate your ceiling price for that item under this section whenever the "cost of acquisition" (defined in section 90 (c) (1)) incurred for it increases either (i) above your base "cost of acquisition," or (ii) if you have previously recalculated your ceiling price under this section, above the "cost of acquisition" upon which the last recalculation of your ceiling price was based. However, you must recalculate your ceiling price for that item under this section whenever the "cost of acquisition" incurred for it decreases either (i) below your base "cost of acquisition" or (ii) if you have previously recalculated your ceiling price under this section, below the "cost of acquisition" upon which the last recalculation of your ceiling price was based.

(2) *Definition of base "cost of acquisition."* Before reading this section it is important for you to know what your base "cost of acquisition" is. If you determined your initial ceiling price for an item under either section 51 or 52 your base "cost of acquisition" is the "cost of acquisition" (defined in section 90 (c) (1)) incurred for your most recent customary purchase prior to the date you first offered the item for sale. If you determined your initial ceiling price under section 53 your base "cost of acquisition" is (i) the "cost of acquisition" (defined in section 90 (c) (1)) incurred for your most recent customary purchase prior to the date upon which you mailed the report or application required under those sections, or (ii) if you made no customary purchase prior to the date you mailed the required report or application, the "cost of acquisition" (defined in section 90 (c) (1)) incurred for your first customary purchase between that mailing date and the date you first offered the item for sale.

(b) *Recalculation of your ceiling prices for case sales.* If you are a retailer of an item of imported or domestic malt beverages (priced under section 51, 52 or 53) who, because of a change in your "cost of acquisition," must recalculate your ceiling price for sale of a case of that item to consumers under this section, that per case ceiling price is recalculated as follows:

(1) Determine the difference between:

(i) Your base "cost of acquisition" for the item (defined in paragraph (a) (2)), and

(ii) Your current "cost of acquisition," that is, the "cost of acquisition" for your most recent customary purchase of the item.

If that difference ends in a fraction of a cent you may increase it to the next higher full cent if the fraction is one-half cent or more, but you must reduce it to the next lower full cent if the fraction is less than one-half cent. The resulting figure is your "cost change per case" for the item.

(2) Consult the first column of Table V (in Appendix A) for the line on which is listed the amount of your "cost change per case" for the item. Then follow that line across to the figure applicable to cases in the column which is headed with the same case size as the case size of the item you are pricing. That figure is your "adjustment factor per case" for the item you are pricing.

(3) (i) Add your "adjustment factor per case" to your initial ceiling price per case (established under section 51, 52 or 53) if your current "cost of acquisition" is greater than your base "cost of acquisition"; but (ii) subtract your "ad-

justment factor per case" from your initial ceiling price per case (established under section 51, 52 or 53) if your current "cost of acquisition" is less than your base "cost of acquisition." The resulting figure is your recalculated ceiling price for sales of a case of the particular item to consumers. That price, however, may be adjusted or modified under the provisions of this section and sections 70, 71, 76, 77 and 78 of this regulation, if applicable, and must be put into effect on the day set out in paragraph (d) of this section. In addition, you must comply with the provisions of section 73 of this regulation, which require you to post your ceiling prices to consumers.

EXAMPLE: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

Your initial ceiling price of $3.90 for sales to consumers of a case of 24 12-ounce returnable bottles of JRG beer was established under section 51. The "cost of acquisition" (defined in section 90 (c) (1)) per case incurred for your last customary purchase of that item before the date you first offered it for sale was $2.92. That $2.92 is your base "cost of acquisition." Because the "cost of acquisition" you incurred for that item later increased to $3.10 per case, you previously recalculated your ceiling price under this section and that recalculated ceiling price is $4.13. However, the "cost of acquisition" for your most recent customary purchase of the item was $3. Since $3 is lower than the $3.10 "cost of acquisition" upon which you based the last recalculation of your ceiling price for the item under this section, you must again recalculate your ceiling price for sales to consumers of a case of 24 12-ounce returnable bottles of JRG, as follows:

(1) Your base "cost of acquisition" for a case of 24 12-ounce returnable bottles of JRG beer was $2.92. Your current "cost of acquisition" for a case of that item (the "cost of acquisition" for your most recent customary purchase) was $3. The difference between your base "cost of acquisition" and current "cost of acquisition" therefore is 8 cents ($3−$2.92=8 cents) which is your "cost change per case" for the item.

(2) Following the line, in the first column of Table V (appearing in Appendix A), on which is listed "8" across to the column headed "24 containers" (the same case size as that of the item you are pricing) you find that 10 cents is your "adjustment factor per case" for the item.

(3) Since your current "cost of acquisition" is greater than your base "cost of acquisition" you add your 10 cents "adjustment factor per case" to $3.90 (your initial ceiling price established under section 51), to arrive at $4, your recalculated ceiling price for a case of 24 12-ounce returnable bottles of JRG beer. (Note that although your $4 recalculated ceiling price is higher than your initial ceiling price of $3.90, because your cost increased since you determined that initial ceiling price, it is lower than your previously recalculated ceiling price of $4.13 because your cost decreased since that previous recalculation.)

(c) *Recalculation of your ceiling prices for sales of individual containers.* If you are a retailer of an item of imported or domestic malt beverages (priced under section 51, 52 or 53) who, because of a change in your "cost of acquisition," must recalculate your ceiling price for sales of individual containers of that item to consumers under this section, that ceiling price per individual container is recalculated as follows:

(1) Determine the difference between:

(i) Your base "cost of acquisition" for the item (defined in paragraph (a) (2)), and

(ii) Your current "cost of acquisition", that is, the "cost of acquisition" for your most recent customary purchase of the item.

If that difference ends in a fraction of a cent you may increase it to the next higher full cent if the fraction is one-half cent or more, but you must reduce it to the next lower full cent if the fraction is less than one-half cent. The resulting figure is your "cost change per case" for the item.

(2) Consult the first column of Table V (in Appendix A) for the line on which is listed the amount of your "cost change per case" for the item. Then follow that line across to the figure applicable to individual containers in the column which is headed with the same case size as the case size of the item you are pricing. That figure is your "adjustment factor per individual container" for the item you are pricing.

(3) (i) Add your "adjustment factor per individual container" to your initial ceiling price per individual container (established under section 51, 52, or 53) if your current "cost of acquisition" is greater than your base "cost of acquisition"; but (ii) subtract your "adjustment factor per individual container" from your initial ceiling price per individual container (established under section 51, 52 or 53) if your current "cost of acquisition" is less than your base "cost of acquisition."

(4) Your recalculated ceiling price for sale of one individual container of the particular item is the figure arrived at in subparagraph (3), except that if that figure ends in one-half cent you may increase it to the next higher full cent. Your recalculated ceiling price for sale of more than one individual container of the item (but less than a full case of the item) is determined by multiplying the figure arrived at in subparagraph (3) by the number of containers being sold and, if the resulting price ends in one-half cent, rounding it to the next higher full cent. The ceiling price you recalculate (either for sales of one individual container or of more than one individual container) may be adjusted or modified under the provisions of this section and sections 70, 71, 76, 77 and 78 of this regulation, if applicable, and must be put into effect on the day set out in paragraph (d) of this section. In addition, you must comply with the provisions of section 73 of this regulation, which require you to post your ceiling prices to consumers.

EXAMPLE: (The steps in this example are marked with the same numbers as the above subparagraphs, which outline the method of calculation.)

Your last customary purchase of a case of 24 12-ounce returnable bottles of Liebeskind Lager before the day you first offered it for sale (after calculating its initial ceiling price of 18 cents per bottle under section 52) cost you $3. That $3 is your base "cost of acquisition." The "cost of acquisition" incurred for your most recent customary purchase of that item increased to $3.05. You may, therefore, recalculate your ceiling price as follows:

(1) Your base "cost of acquisition" for a case of 24 12-ounce returnable bottles of Liebeskind Lager was $3. Your current "cost of acquisition" for a case of that item (the "cost of acquisition" for your most recent customary purchase) was $3.05. The difference between your base "cost of acquisition" and current "cost of acquisition" therefore, is 5 cents ($3.05−$3=5 cents) which is your "cost change per case" for the item.

(2) Following the line, in the first column of Table V (appearing in Appendix A), on which is listed "5" across to the column headed "24 containers" (the same case size as that of the item you are pricing) you find that ½ cent is your "adjustment factor per individual container" for the item.

(3) Your current "cost of acquisition" is greater than your base "cost of acquisition." Therefore, you add your ½ cent "adjustment factor per individual container" to 18 cents (your initial ceiling price established under section 52) to arrive at 18½ cents.

(4) Your recalculated ceiling price for sales to consumers of one 12-ounce returnable bottle of Liebeskind Lager is determined by rounding the 18½-cent figure, arrived at in subparagraph (3), to the next higher full cent, and is 19 cents. But the recalculated ceiling price for sale of two 12-ounce returnable bottles of Liebeskind Lager is determined by multiplying 18½ cents (the figure arrived at in subparagraph (3)) by 2 and is 37 cents (18½ cents×2=37 cents). Moreover, your recalculated ceiling price for sale of three 12-ounce returnable bottles of Liebeskind Lager is determined by multiplying 18½ cents by 3, which gives you 55½ cents (18½ cents×3=55½ cents), and rounding that price up to 56 cents.

SEC. 55. *How a retailer is to determine his ceiling prices for sales of certain newly labeled items.* This section applies to you if you are a retailer of imported or domestic malt beverages who receives the following notice from your supplier:

OPS CEILING PRICES FOR ITEM WITH NEW LABEL

The Office of Price Stabilization has authorized us to inform you that, for purposes of calculating your ceiling prices under CPR 117, Revision 1, you must regard (brand and type of newly labeled malt beverage) and (brand and type of the "comparable malt beverage") as the same item. Therefore, you must determine your ceiling prices for each container size, container type and case size of (brand and type of newly labeled malt beverage) under the applicable sections of CPR 117, Revision 1, just as if it were the same item as the particular container size, container type and case size of (brand and type of the "comparable malt beverage").

The Office of Price Stabilization requires you to keep a copy of this notice for examination.

In that case you must determine your ceiling prices for sales to consumers of the newly labeled malt beverage under section 50, 51, 52, 53 or 54 (whichever applies) just as if it were the "comparable malt beverage" and, for purposes of pricing under those sections, you must regard the newly labeled item as if it were an item of the same brand and type as the "comparable malt beverage." In other words, the ceiling prices determined for sales to consumers of the newly labeled malt beverage must be identical with the ceiling prices you have (or could have) determined for the "comparable malt beverage."

EXAMPLE: You are a retailer who received the following notice from your supplier:

OPS CEILING PRICES FOR ITEM WITH NEW LABEL

The Office of Price Stabilization has authorized us to inform you that, for purposes of calculating your ceiling prices under CPR 117, Revision 1, you must regard Y Brand beer and X Brand beer as the same item. Therefore, you must determine your ceiling prices for each container size, container type and case size of Y Brand beer under the applicable sections of CPR 117, Revision 1, just as if it were the same item as the particular container size, container type and case size of X Brand beer.

The Office of Price Stabilization requires you to keep a copy of this notice for examination.

You calculated your ceiling price, under section 50, of $4.26 for sales to consumers of a case of 24 12-ounce returnable bottles of X Brand beer. That ceiling price was determined on the basis of a base "cost of acquisition" of $3 and a current "cost of acquisition" of $3.20, which gave you a 26 cent "adjustment factor per case" to add to $4 (your highest selling price for sales of the item to consumers during October, 1951). The "cost of acquisition" for your first customary purchase of a case of 24 12-ounce returnable bottles of Y Brand beer was also $3.20. Therefore, your ceiling price for sale of that item to consumers is $4.26 (the same as your ceiling price for X Brand beer). (Note that in computing your ceiling prices for Y Brand beer you assume that you were selling Y Brand beer during October, 1951 for $4, the price at which you were selling X, and that your base "cost of acquisition" for Y is $3, which is your base "cost of acquisition" for X.)

Subsequently, you purchase a case of 24 12-ounce returnable bottles of Y Brand beer for $3.25. That $3.25, which is your current "cost of acquisition", is higher than the $3.20 "cost of acquisition" upon which the last calculation of your ceiling price for Y was based. Therefore, you may recalculate your ceiling price for Y Brand beer. Since your base "cost of acquisition" for Y Brand beer is $3 (the same as for X Brand beer) and your current "cost of acquisition" is $3.25, your "cost change per case" is 25 cents ($3.25−$3=25 cents). Consulting Table V, you find that your "adjustment factor per case" for the item is 33 cents. Your current "cost of acquisition" ($3.25) for Y Brand beer is greater than your base "cost of acquisition" ($3), therefore, you add your 33 cents "adjustment factor per case" to $4 (your highest selling price during October, 1951, for sales to consumers of X Brand beer) to arrive at $4.33, your ceiling price for a case of 24 12-ounce returnable bottles of Y Brand beer.

ARTICLE VI—"ON-PREMISE LICENSEES"

SEC. 60. *How "on-premise licensees" are to determine their ceiling prices.* This section applies to you if you are an "on-premise licensee" selling an item of imported or domestic malt beverages in its original container for off-premise consumption. In that case you are to determine your ceiling prices for sales of that item for off-premise consumption (except when the item is sold as part of a meal for off-premise consumption or is not sold in its original container) as a retailer under the provisions of this regulation which apply to retailers. For purposes of those provisions of this regulation which apply to retailers, therefore, an "on-premise licensee," to the extent that he sells an item for off-premise consumption (other than as part of a meal for off-premise consumption or not in its original container), is considered a retailer. The term "meal," as used in this section, means a combination of food and beverage items sold at a single price.

ARTICLE VII—GENERAL PROVISIONS

SEC. 70. *Treatment of fractional parts of a cent in figuring ceiling prices.* Unless otherwise provided in this regulation, you shall treat fractional parts of a cent as follows in determining your ceiling price:

(a) Amounts computed in the process of, or as a step in figuring a ceiling price (other than the ceiling price itself) may only be carried to four decimal places (hundredths of a cent). Any further fraction is to be disregarded and in no case, even if your computations are carried to less than four decimal places, may you round up any fraction. (Example: If you choose to carry your computations to four decimal places (the maximum permitted) and come out with the fraction .45689, you must drop the final 9 and use only .4568; you could not round up to .4569. If you wish to carry your computations to only two decimal places, you could only use .45; you could not round up to .46.)

(b) (1) If you are a brewer or a wholesaler, or if you are a seller who determines your ceiling prices under the provisions of this regulation which apply to brewers or wholesalers, and the ceiling price you calculate for an item and adjust under sections 76, 77, and 78 includes a fractional part of a cent, you may increase that ceiling price to the next higher full cent if the fraction is one-half cent or more, but must reduce that ceiling price to the next lower full cent if the fraction is one-half cent or less. However, the ceiling price for sale of an item to the United States or any of its agencies must in all cases be carried to four decimal places, and any further fraction is to be disregarded.

(2) If you are a retailer, or if you are a seller who determines your ceiling prices under the provisions of this regulation which apply to retailers, and the ceiling price calculated for the total sale of a unit or units of an item includes a fractional part of a cent, you may increase that total price to the next higher full cent if the fraction is one-half cent or more, but must reduce that total price to the next lower full cent if the fraction is less than one-half cent.

SEC. 71. *Addition of case and container charges to ceiling prices*—(a) *How you may add case and container charges to your ceiling prices.* If you are a seller who has established a ceiling price under this regulation for sales of an item to a particular class of purchaser, you may (regardless of your prior practice) do one of the following things:

(1) Require the purchaser to pay (in addition to your ceiling price) a deposit to assure return of the cases or containers in which the item is delivered, or

(2) Add to your ceiling price an amount to cover the sale of those cases or containers to the purchaser (but only if you have an agreement with the purchaser to repurchase those cases or containers for the identical amount, if offered to you in usable condition within 6 months, or within any longer period you wish to specify, after the sale of them to that purchaser).

The amount charged or the deposit required of the purchaser for cases or containers under subparagraph (1) or (2) must not exceed (i) the amount you must pay your supplier for such cases or containers, or (ii) if you own the cases or containers, your lawful replacement costs for those materials. However a duly authorized Regional or District Director of the Office of Price Stabilization may, upon application (filed pursuant to paragraph (b) of this section) or his own motion and in accordance with the practice existing before January 14, 1952 for any seller or group of sellers within his jurisdiction, establish for that seller or group of sellers uniform maximum charges for cases and containers of an item. If such a uniform maximum charge is established and applies to you, it, rather than the amount specified in subdivisions (i) or (ii) above, must be regarded as your maximum deposit charge or the maximum amount you may charge pursuant to a repurchase agreement. You may not, in addition to the case or container charge imposed by you (as permitted above) require the purchaser to pay separately for reasonable wear and tear of cases or containers, or for loss or damage to them in transit. In addition, you may not in any event refuse to accept from the purchaser any cases or containers for which he was charged and which he offers to return to you in usable condition within the particular time specified (if any), nor, in such event, may you refuse to repay him the full amount of the deposit or the purchase price (paid pursuant to a repurchase agreement) that you charged him for those cases or containers under this section.

(b) *Application for uniform maximum case and container charges.* If you are a seller who wishes uniform maximum case and container charges to be established you must send a written application, signed by you or a duly authorized officer, to your local OPS District Office. That application must state that it is filed under section 71 of CPR 117, Revision 1, and must contain the following information:

(1) The amount you must pay your supplier for the case and containers of each of the items for which you wish a uniform maximum case and container charge to be established, or, if you own the case or containers, your lawful replacement costs for those materials.

(2) The uniform maximum case and container charge you wish to charge your purchasers for each of the items mentioned in (1).

(3) The amount of the deposit charge or purchase price (pursuant to a repurchase agreement) you were charging your purchasers just before January 14, 1952, for the case and containers of each of the items mentioned in (1).

SEC. 72. *When ceiling prices go into effect for sellers in price-posting states.* If you are a seller of imported or domestic malt beverages who is required by State or local statute, ordinance, regu-

lation, order or other official action of a State or local authority, to file, post or give notice of your price for any item, and such a requirement prevents you from placing a ceiling price determined under this regulation into effect on the date otherwise specified in this regulation, you are to place that ceiling price into effect on the next earliest date (after that specified date) permitted under the State or local law. You must, of course, file, post, or give notice of the ceiling price for the item at the first opportunity provided under the State or local law after determination of that ceiling price under this regulation.

SEC. 73. *How you must post your ceiling prices to consumers.* This section applies to you if you sell imported or domestic malt beverages to consumers, and tells you how you must post your ceiling prices for sales to those consumers.

(a) *Who must post ceiling prices.* (1) If you are a retailer who sells imported or domestic malt beverages to consumers you must, before you sell an item, post your ceiling price both for case sales and for sales of individual containers of that item, in accordance with the method set out in paragraph (b). If, however, your ceiling price for sales of two individual containers of an item is one cent less than twice your ceiling price for sale of one individual container of that item, the ceiling price you post, as your individual container ceiling price, must be your ceiling price for sales of two individual containers of that item. (For example: You are a retailer who, under section 50 (c), determined a 16½¢ price for sale of one 12-ounce returnable bottle of X Brand beer. In accordance with that section, the 16½¢ price was rounded to a ceiling price of 17¢ for sale of one such bottle. However, your ceiling price (under section 50 (c)) for sales of two 12-ounce returnable bottles of X Brand beer is 33¢ (16½¢×2=33¢). Therefore, the ceiling price you must post for individual containers of 12-ounce returnable bottles of X Brand beer is "2 for 33¢.").

(2) If you are a seller (other than a retailer) who sells imported or domestic malt beverages to consumers, you must, before you sell an item, post your ceiling price, for sale of a case of that item to consumers, in accordance with the method set out in paragraph (b).

(b) *Method of posting your ceiling prices.* You must list your ceiling prices to consumers on white paper, white cardboard, or something similar. The price list must be posted in clear view of purchasing consumers, either where the malt beverages are displayed or where the consumers make payment for the malt beverages. In all cases the list must be posted in such a manner that it can easily be read and so that the purchasing consumers can approach it within a distance of two feet. The list must contain the following information, legibly printed:

(1) The heading "OPS Ceiling Prices for Beer, Ale, Etc." in letters at least one-half inch high.

(2) The brand and type of each item of malt beverages sold by you and your ceiling price for each of those items, in letters and numbers at least as large as those produced by use of a typewriter. (Paragraph (a) of this section tells you exactly what ceiling prices you must post.) Each item of malt beverages means each brand, type, container size, container type and case size of malt beverage.

A suggested layout for a retailer's price list is as follows:

OPS CEILING PRICES FOR BEER, ALE, ETC.

Brand (list here the brand and type of each of your items)	Case and container sizes and types (list here the case and container sizes and types of each of your items) Example—					
	12-ounce returnable bottle	Case of 24	32-ounce nonreturnable bottle	Case of 12	7-ounce returnable bottle	Case of 36
Henry's beer	$0.13	$2.90	2 for $0.59	$3.48		
Bruce beer	2 for $0.27	3.00	$0.31	3.60		
Bruce ale	$0.14	3.24	$0.33	3.38	$0.11	$3.80

A suggested layout for the price list of a seller other than a retailer is as follows:

OPS CEILING PRICES FOR BEER, ALE, ETC.

Brand (list here the brand and type of each of your items)	Ceiling prices per case to consumers (list here the case and container sizes and types of each of your items) Example—		
	24 12-ounce returnable bottles	24 12-ounce cans	12 32-ounce returnable bottles
Heather ale	$3.10	$3.65	$3.60
Blodgett beer	2.90	3.40	3.35

SEC. 74. *Payment of brokerage.* Every broker shall be considered the agent of the seller and not the agent of the buyer. In every case, therefore, the amount paid for an item by a buyer to any seller covered by this regulation, plus any amount paid by that buyer to a broker, must not exceed the ceiling price established under this regulation for sale by the seller of the item to that buyer (plus any additional charges allowed under sections 71 and 78 of this regulation). In other words, the seller may not collect from the buyer any more than his ceiling price established under this regulation for the item (plus any additional charges allowed under sections 71 and 78 of this regulation), less any amount the buyer pays the broker.

SEC. 75. *Establishing minimum resale prices under State Fair Trade laws.* You may, if otherwise permitted by law, establish by contract or otherwise, a minimum price for resale of an item by another person, and such minimum price may be posted or listed with a State or other public authority. In no event, however, is such minimum price to exceed the lowest ceiling price established under this regulation for resale of the item by or for any person to whom the minimum price applies.

SEC. 76. *Reduction of ceiling prices for tax exempt sales to the United States or any of its agencies.* Your ceiling price established under this regulation for sale of an item shall, if the item is being sold to the United States or any of its agencies, be reduced by the amount of any reduction, elimination or possible refund of any United States, State or local taxes included in figuring that ceiling price.

SEC. 77. *Customary price differentials and terms and conditions of sale and delivery.* Your ceiling price for an item, when determined, shall reflect your customary price differentials in effect during the base period, or other period, used to calculate a ceiling price or markup for the item under this regulation, including discounts, allowances, premiums and extras, based upon differences in classes or location of purchasers, or in terms and conditions of sale or delivery. For example: If the selling or offering price used by you as a base period price was a delivered price, then the ceiling price you calculate for that item is also a delivered price. (You may, however, sell the item to a purchaser on an f. o. b. basis if you reduce that delivered ceiling price by the actual amount of the transportation charges, defined in section 90 (c) (9), which would be incurred to transport the item to that particular purchaser.) If your ceiling price is an f. o. b. price you may, of course, sell to a purchaser on a delivered basis provided that the amount added to the f. o. b. price does not exceed the transportation charges actually incurred by you to transport the item to the particular purchaser.

SEC. 78. *Freight cost and sales, excise, and other similar taxes*—(a) *Taxes.* In addition to your ceiling price determined under this regulation, you may collect the amount of any sales tax, excise tax or other similar tax actually paid (or payable) by you if that tax is not already included in your ceiling price. If such a tax is imposed by a law which is not effective until after January 14, 1952, or if there is any increase in such a tax after January 14, 1952, you may collect the amount of the tax actually paid (or payable) by you (1) if not prohibited by law, and (2) if that tax is not already included in your ceiling price. However, if the amount of any such tax which is included in your ceiling price has been or is reduced or eliminated, you must lower your ceiling price to reflect the amount of such reduction or elimination.

(b) *Freight cost.* (1) This paragraph applies to you if you are a brewer or wholesaler or if you are a seller who determines your ceiling prices under the provisions of this regulation which apply to brewers or wholesalers. In that case, if, after January 1, 1952, there is any increase in your "freight cost" (defined in subparagraph (2)), or (if you

price as a wholesaler and buy on a delivered basis) there is any increase in your supplier's ceiling price to you as a result of an increase in his "freight cost", you may collect the amount of that increase actually paid (or payable) by you if that increase is not already included in your ceiling price. However, if, after January 1, 1952, the amount of any "freight cost" which is included in your ceiling price is reduced or eliminated, or (if you price as a wholesaler and buy on a delivered basis) your supplier's ceiling price to you is reduced as a result of a reduction or elimination in his "freight cost", you must lower your ceiling price to reflect the amount of such reduction or elimination.

(2) For purposes of this paragraph (b) "freight cost" means:

(i) All transportation charges (as defined in section 90 (c) (9)) applicable to the particular item that must be incurred to transport the item from the seller's customary shipping point to the purchaser's customary receiving point; plus

(ii) All transportation charges (as defined in section 90 (c) (9)) that must be incurred to return to the supplier the empty case and containers in which the item is packed.

SEC. 79. *Prohibitions.* After the effective date of this regulation, you shall not do any act prohibited or omit to do any act required by this regulation, nor shall you offer, solicit, attempt, or agree to do or omit to do any such acts. Specifically (but not in limitation of the above) you shall not, regardless of any contract or other obligation, sell or supply, and no person in the regular course of trade or business shall buy or receive any malt beverage at a price higher than the ceiling price established for its sale, and you shall keep, make and preserve true and accurate records and reports required by this regulation. Of course, prices lower than the ceiling prices established under this regulation may be charged or paid for malt beverages. If you violate any provisions of this regulation, you are subject to criminal penalties, enforcement action, and action for damages.

SEC. 80. *Evasion.* (a) Any means or device which results in obtaining indirectly a higher price than is permitted by this regulation or in concealing or falsely representing information as to which this regulation requires records to be kept is a violation of this regulation. This prohibition includes, but is not limited to, means or devices making use of commissions, services, cross sales, transportation arrangements, premiums, discounts, special privileges, up-grading, tie-in agreements and trade understandings, as well as the omission from records of true data and the inclusion in records of false data.

(b) The following are specifically, but not exclusively, among the means and devices prohibited by paragraph (a) of this section and are itemized here only to lessen the frequency of interpretative inquiries which experience indicates are likely to be made in this industry under the general evasion provisions:

(1) Changes in kinds, grades and proportions of ingredients resulting in depreciation of the quality of a malt beverage other than as the result of a normal variation;

(2) The reduction or elimination of customary discounts, allowances or price differentials;

(3) Making a separate charge to a purchaser for local hauling or handling, loading or unloading, for breakage of barrels, containers or cases, for reconditioning barrels, containers or cases, or for hauling or handling empty barrels, containers or cases.

SEC. 81. *Petitions for amendment.* If you wish to have this regulation amended, you may file a petition for amendment in accordance with the provisions of Price Procedural Regulation 1, Revision 2 (17 F. R. 3787).

SEC. 82. *Modification of ceiling prices by the Director of Price Stabilization.* The Director of Price Stabilization may at any time disapprove or reduce ceiling prices proposed to be used or being used under this regulation so as to bring them into line with the level of ceiling prices otherwise established under this regulation.

SEC. 83. *Interest on advance payments.* If you directly or indirectly require a buyer to make any payment (either to you or to another person) in advance of delivery you must pay the buyer an amount equal to interest at the rate of six percent per annum on the amount of the advance payment from the date such advance payment is made to the date on which the item is delivered or the advance payment is refunded to the buyer. The interest shall be payable on the date of delivery of the item or the date on which the advance payment is refunded. You may in no case increase your ceiling price by reason of the interest payment and the buyer shall not be required to reduce either, as the case may be, his ceiling price or his supplier's price (as an element in the calculation of his cost) by the amount of the interest on the advance payment.

SEC. 84. *Adjustable pricing.* Nothing in this regulation shall be construed to prohibit your making a contract or offer to sell a commodity at (a) the ceiling price in effect at the time of delivery or (b) the lower of a fixed price or the ceiling price in effect at the time of delivery. You may not, however, unless authorized by the Office of Price Stabilization, deliver or offer to deliver a commodity at a price to be adjusted upward in accordance with any increase in a ceiling price after delivery. Such authorization may be given only when a request to establish a ceiling price or for a change in an applicable ceiling price is pending and only if the authorization is necessary to promote distribution or production and if it will not interfere with the purposes of the Defense Production Act of 1950, as amended. Permission may be given by letter addressed to you, signed by the Director of Price Stabilization or by any official of the Office of Price Stabilization having authority to act on the pending request for establishment of or change in your ceiling price.

SEC. 85. *Export sales.* Your ceiling prices for export sales of the commodities covered by this regulation are to be determined under the provisions of the general or specific regulations (other than this regulation) of the Office of Price Stabilization, now or hereafter issued, which deal with such export sales.

SEC. 86. *Transfer of business or stock in trade.* If the business, assets, or stock in trade of any business are sold or otherwise transferred to you after the base period specified for you in this regulation (or, if you are a retailer, after October 31, 1951) and you carry on the business, or continue to deal in the same type of commodities, in an establishment separate from any other establishment previously owned or operated by you, your ceiling prices shall be the same as those to which your transferor would have been subject if no such transfer had taken place, and your obligation to keep records sufficient to verify such prices shall be the same. The transferor is hereby required by this section to either preserve and make available, or turn over to you all records of transactions prior to the transfer which are necessary to enable you to comply with the record provisions of this regulation. However, (a) if the transfer was made between June 25, 1950 and January 14, 1952, inclusive, you may (instead of using the ceiling prices of your transferor) apply for ceiling prices under section 25, 36 or 53, whichever is applicable, or (b) if you are a brewer who, in an establishment you purchased, intends to produce an item (defined in section 90 (b) (8)) which you are already producing in another establishment, you may (instead of using the ceiling prices of your transferor) apply, under section 25 of this regulation, for ceiling prices for sales of those units of the item you intend to produce in the establishment you purchased.

SEC. 87. *Sales slips and receipts.* If you have customarily given a purchaser a sales slip, receipt, or similar evidence of purchase you shall continue to do so. Upon request from a purchaser you shall, regardless of previous custom, give the purchaser a receipt showing the date, your name and address, the name of each commodity sold, and the price received for it.

SEC. 88. *Records.* This section tells you what records you must preserve and what additional records you must prepare.

(a) *Base period records.* (1) If you are required, under this regulation, to adopt as your ceiling prices the prices you had in effect in a prescribed prior period (base period) or to use those base period prices in the calculation of your ceiling prices, you must preserve and keep available for examination by the Director of Price Stabilization, for as long as the Defense Production Act of 1950, as amended, is in effect and for two years thereafter, those records in your possession showing the prices in effect for the commodities which you de-

livered or offered to deliver during the base period.

(2) Within 30 days after the effective date of this regulation, you must also prepare and preserve a price list showing each commodity delivered or offered for delivery by you during the base period referred to in subparagraph (1) of this paragraph and the prices in effect for those commodities in the base period. Such list may refer to an attached price list or catalog.

(3) You must also prepare and preserve a statement of your customary price differentials for different terms and conditions of sale and classes of purchasers which you had in effect during the base period.

(b) *Current records.* (1) Every person who sells malt beverages other than to consumers, and every person who in the regular course of trade or business buys malt beverages, shall make and keep for inspection by the Director of Price Stabilization for a period of two years accurate records of each sale or purchase made after the effective date of this regulation. The records must show the date of sale or purchase, the name and address of the seller and purchaser, and the prices charged or paid, itemized by brand, type, container size, container type and (if the type of container is a returnable bottle, non-returnable bottle or can) case size. Records must also show all premiums, discounts and allowances. Every person who sells malt beverages to consumers shall keep records of the same kind as those customarily kept by him, relating to the prices which he charged for such of those commodities he sold or offered for sale after the date on which ceiling prices under this regulation became effective.

(2) Every seller shall keep for inspection by the Director of Price Stabilization for a period of two years:

(i) All bills, invoices, receipts and records employed to determine any cost which is used for the purpose of calculating or applying a markup factor under this regulation.

(ii) His computations, showing as precisely as possible the methods and figures used to determine his ceiling prices under this regulation.

(c) All records required to be preserved under this regulation may, 90 days after the date of the transaction to which they relate, be transferred to and preserved thereafter on microfilm.

SEC. 89. *Interpretations.* If you have any doubt as to the meaning of this regulation, you should write to the District Counsel of the proper OPS District Office for an interpretation. Any action taken by you in reliance upon and in conformity with a written official interpretation will constitute action in good faith pursuant to this regulation. Further information on obtaining official interpretations is contained in Price Procedural Regulation 1, Revision 2 (17 F. R. 3787).

SEC. 90. *Definitions*—(a) *Definitions of persons to whom this regulation refers*—(1) *Brewer.* "Brewer" means the person who is the manufacturer of a domestic malt beverage being priced. For purposes of this regulation, however, each separately established and operated brewery is regarded as a different "brewer."

(2) *Brewer's branch.* "Brewer's branch" means a separately established and operated branch of a brewer which is not physically attached to the brewery, but which is controlled and managed by the brewer and engaged in the distribution of the item being priced.

(3) *Broker.* "Broker" means a person acting as an intermediary between a seller and a purchaser. It includes, but is not restricted to, a "finder," "buyer's agent," and "seller's agent."

(4) *Class of purchaser or purchaser of same class.* "Class of purchaser" or "purchaser of same class" refers to a seller's practice in setting different prices for sales to different purchasers or kinds of purchasers, or for purchasers located in different areas, or for different quantities or container sizes or under different conditions of sale.

(5) *Consumer.* "Consumer" means any person purchasing malt beverages for consumption and not for resale.

(6) *Importer.* An "importer" of an item is the person who (i) orders the imported item from a foreign shipper, (ii) is responsible for payment to the foreign shipper, (iii) actually pays the foreign shipper (or on behalf of whom payment is made to the foreign shipper) and (iv) holds an importer's permit issued under the provisions of the Federal Alcohol Administration Act. For purposes of this definition, one who ships an item from Puerto Rico and the Virgin Islands (belonging to the United States) is a foreign shipper of that item.

(7) *Most closely competitive seller.* Your "most closely competitive seller" is the seller with whom you are in most direct competition even though he may perform a different function with respect to the item. (For example: if you are a retailer, your most closely competitive seller may be a wholesaler; or, if you are a wholesaler, your most closely competitive seller may be a brewer or a brewer's branch.) You are in direct competition with another seller who sells the same item to the same class of purchaser in similar quantities, on similar terms and who supplies approximately the same amount of service.

(8) *OPS.* "OPS" means the Office of Price Stabilization.

(9) *Your OPS District Office.* This means the OPS District Office for the district in which your principal place of business is located.

(10) *On-premise licensee.* "On-premise licensee" means a person licensed by statute, ordinance or regulation, or otherwise legally authorized to sell malt beverages for consumption on the licensed premises. For the sales subject to this regulation made by an "on-premise licensee," he shall be deemed a retailer.

(11) *Person.* This term includes any individual, corporation, partnership, association or any other organized group of persons, or legal successors or representatives of the foregoing, and the United States or any other Government or their political subdivisions or agencies.

(12) *Retailer.* "Retailer" means a person licensed as a retailer under applicable laws, statutes, or regulations and engaged in the business of buying and selling malt beverages, without changing the form thereof, primarily to consumers. Each separately established and maintained selling outlet of a retailer is to determine its ceiling price as a separate retailer under this regulation. However, a home distributor who is engaged primarily in selling malt beverages directly to consumers, is not to be considered a retailer even though he may hold a retailer's license, and an importer of an item is not also to be considered a retailer of that item. A sale to an "on-premise licensee" shall be deemed a sale to a retailer.

(13) *Home distributor.* A "home distributor" means a person who obtains his entire supply of one or more items of domestic malt beverages from brewers and wholesalers and sells those items in case lots primarily to consumers from a vehicle owner or operated by him or his employees.

(14) *Wholesaler.* "Wholesaler" means a person licensed as a wholesaler under applicable laws, statutes, or regulations and engaged in the business of buying and selling malt beverages, without changing the form thereof, primarily to persons other than consumers, but who when licensed and permitted by applicable State or local statute or ordinance to do so, may also sell such malt beverages to consumers. Each separately established and maintained selling outlet of a wholesaler is to determine its ceiling prices as a separate wholesaler under this regulation. Finally, an importer of an item is not also to be considered a wholesaler of that item.

(15) *You.* "You" means the person subject to this regulation. "Your" and "yours" are construed accordingly.

(16) *Sole distributor.* A "sole distributor" means a person to whom the particular brewer sells all or substantially all of his production of the malt beverages being priced and who is engaged in the distribution of those malt beverages.

(b) *Definitions of commodities and terms describing and identifying commodities*—(1) *Barrel.* "Barrel" means a container for malt beverages having a capacity of 31 U. S. standard gallons of 128 fluid ounces. Fractions of a barrel, referred to in this regulation, are fractions of a barrel as so defined.

(2) *Brand.* "Brand" means the distinctive name of a malt beverage as shown on its label. It also includes other words, lettering, or figures used on that label in association with the name for the primary purpose of giving the malt beverage a distinctive identity in the mind of a consumer.

(3) *Case and case size.* "Case" means a carton or box used for shipping or delivery of malt beverages in bottles or cans. "Case size" means the particular number of containers (that is, returnable bottles, non-returnable bottles, or cans) in a case. However, if a case of 11, 11½ or 12-ounce containers is spe-

cially packed in groups of smaller units (of at least two containers) within the case, and customarily sold to consumers in those smaller units (rather than sold an individual container or a full case at a time) it is an item of a different "case size" from a case of the same number of containers which is not specially packed in such smaller units. For purposes of this regulation such specially packed cases are called "special packs" (e. g., a case of 24 12-ounce containers packed in units of six containers, four units to a case, is a "special pack"; similarly, a case of 36 11-ounce containers packed in units of four containers, nine units to a case, is a "special pack"). All "special pack" cases containing the same total number of containers are items of the same "case size", even though the number of containers in the smaller units may differ (e. g., a case of 24 12-ounce containers packed in units of six containers, four units per case; and a case of 24 12-ounce containers packed in units of three containers, eight units per case, are items of the same "case size").

(4) *Container size.* "Container size" means the particular weight or unit capacity of the individual container in which the malt beverage is sold.

(5) *Container type.* "Container type" means any one of the following types of containers in which the malt beverage is sold: returnable bottles, non-returnable bottles, cans, barrels (or fractions of barrels).

(6) *Domestic.* A "domestic" item is one that is produced in the 48 states of the United States or the District of Columbia.

(7) *Imported.* An "imported" item is one that is produced outside of (and introduced into) the 48 states of the United States or the District of Columbia.

(8) *Item.* An "item" is a particular brand, type, container size, container type and (if the type of container is a returnable bottle, non-returnable bottle or can) case size of imported or domestic malt beverage. (The terms "brand," "type," "container size," "container type" and "case size" are all defined in this section.)

(9) *Malt beverages.* "Malt beverages" means any beverage made by the alcoholic fermentation of an infusion or decoction, or combination of both, in potable brewing water, of malted barley with hops, or their parts, or their products, and with or without other malted cereals, and with or without the addition of unmalted or prepared cereals, other carbohydrates or products prepared therefrom, and with or without the addition of carbon dioxide, and with or without other wholesome products suitable for human consumption.

(10) *Type.* "Type", with reference to a malt beverage, means the class of malt beverage as recognized under the provisions of Regulations No. 7, as amended, issued under the Federal Alcohol Administration Act, as amended. However, in determining "type" under this regulation, class subdivisions under Regulations No. 7 must be disregarded.

(c) *General definitions*—(1) *Cost of acquisition.* "Cost of acquisition" means the total of:

(i) The gross invoice price charged per item by your supplier (so long as that gross invoice price does not exceed the supplier's ceiling price) less (*a*) all discounts or allowances you took or could have taken (except discounts for prompt payment), (*b*) all United States, State and local taxes (other than excise taxes), fees and charges included in that invoice price, and (*c*) all charges, included in that invoice price, which may be recovered upon return to the supplier of the containers and case in which the item was shipped.

(ii) All transportation charges (as defined in subparagraph (9) of this paragraph) applicable to the particular item and actually incurred by you to transport the item from the supplier's customary shipping point to your customary receiving point, to the extent that those charges are not already included in the invoice price.

(iii) All transportation charges (as defined in subparagraph (9) of this paragraph), at rates in effect at the time of the particular purchase, that (under the arrangement you have with your supplier) must be incurred by you (in addition to the invoice price) to return to that supplier the empty case and containers in which the item is packed.

(iv) All United States, State and local excise taxes and United States customs duties applicable to the particular item and actually incurred by you, to the extent that those taxes and duties are not already included in the invoice price.

(v) In the case of an imported item, the costs actually incurred by you to withdraw that item from customs custody, to the extent that those costs are not already included in the invoice price.

(2) *Customary purchase.* A "customary purchase" means a purchase of the same type as was customary for you in quantity, type of supplier, receiving point and means of transportation during the "relevant period." For purposes of this definition, the "relevant period" is the base period (or a reasonable length of time surrounding any other period or day) specified in this regulation either (i) for your selection of a dollar-and-cent price to be used (either as is, or after adjustment) as your ceiling price for the particular item, or (ii) as the basis for some other means of figuring your ceiling price for the particular item.

(3) *Customary receiving point.* "Customary receiving point" means the place where the purchaser normally receives delivery of the item from the particular type of supplier. With respect to deliveries made by motor vehicle, "customary receiving point" means the purchaser's premises; with respect to delivery made by rail, "customary receiving point" means the railroad siding nearest to the purchaser's premises.

(4) *Customary shipping point.* "Customary shipping point" means the place from which the seller normally makes shipment of the item to purchasers in a particular area. With respect to shipment made by motor vehicle, "customary shipping point" means the seller's premises; with respect to shipment made by rail, "customary shipping point" means the railroad siding nearest to the seller's premises.

(5) *Price.* "Price" means the consideration requested or received in connection with the sale of a malt beverage.

(6) *Records.* The term "records" means written evidence of transactions, including books of account, sales lists, sales slips, orders, vouchers, contracts, receipts, invoices, bills of lading, a copy of any application or report to the OPS, and other papers and documents necessary to determine prices charged, offered or paid and the method used to determine them.

(7) *Sale.* "Sale" includes transfer of title, disposition, exchange, barter, delivery, lease and other transfers, and contracts or offers to do any of these things. The terms "sell," "seller," "buy," "buyer," "purchase," and "purchaser" shall be construed accordingly.

(8) *"Special deal."* A "special deal" means a reduction in the price of an item (as a sales promotion or similar device) from the price last in effect prior to the day the "special deal" started. The reduction must not have been in effect for a period of time exceeding 123 days. (It, of course, makes no difference if the reduction continued in effect after the "base period" so long as it was not in effect for more than 123 days.) Offers of free goods, combination sales, increased quantities and additional discounts may (but need not necessarily) be considered "special deals."

(9) *Transportation charges.* "Transportation charges", except as otherwise expressly provided, means the lawful charges for the movement of the article by the most direct route from the seller's customary shipping point (as defined in subparagraph (4) of this paragraph) to the purchaser's customary receiving point (as defined in subparagraph (3) of this paragraph), or between any other specified points, at the rate charged by the cheapest available common or contract carrier customarily used. The term includes any applicable Federal tax on transportation now or hereafter imposed. If a seller uses his own vehicle, however, such charges shall be figured at the rate for transportation over the same distance by the cheapest available common or contract carrier customarily used, exclusive of Federal tax on transportation. No amounts may be added for refrigerating or heating of cars or vehicles used in the transportation of the article. No amount may be added for local hauling, drayage and handling.

SEC. 100. *When this revised regulation becomes effective.* The effective date of this revised regulation, insofar as it changes any of the provisions of the original CPR 117 is July 21, 1952, or any earlier effective date between June 9, 1952 and July 21, 1952, that you may select for any or all of your items. However, to the extent that the original CPR 117 is not changed by this revised regulation the effective dates in the original CPR 117 continue to apply, that is, as to retailers and "on-premise licensees" the effective date is March 24,

1952, and for all other sellers January 28, 1952.

NOTE: The reporting and record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

ELLIS ARNALL,
Director of Price Stabilization.

JUNE 9, 1952.

APPENDIX A

TABLE V—RETAILER'S ADJUSTMENT FACTORS FOR CASE SALES AND FOR SALES OF INDIVIDUAL CONTAINERS OF IMPORTED AND DOMESTIC MALT BEVERAGES

[In cents]

Cost change per case	Case sizes									
	6 containers		12 containers		24 containers		36 containers		48 containers	
	Individual container	Case	Individual container	Case	Individual container	Case	Individual container	Case	Individual container	Case
1		1		1		1		1		1
2	½	3		3		3		3		3
3	½	4		4		4		4		4
4	1	5	½	5		5		5		5
5	1	7	½	7	½	7		7		7
6	1½	8	½	8	½	8	½	8		8
7	1½	9	1	9	½	9	½	9		9
8	1½	10	1	10	½	10	½	10		10
9	2	12	1	12	½	12	½	12		12
10	2	13	1	13	½	13	½	13	½	13
11	2½	14	1	14	½	14	½	14	½	14
12	2½	16	1½	16	½	16	½	16	½	16
13	3	17	1½	17	1	17	½	17	½	17
14	3	18	1½	18	1	18	½	18	½	18
15	3	20	1½	20	1	20	½	20	½	20
16	3½	21	1½	21	1	21	½	21	½	21
17	3½	22	2	22	1	22	½	22	½	22
18	4	23	2	23	1	23	½	23	½	23
19	4	25	2	25	1	25	1	25	½	25
20	4½	26	2	26	1	26	1	26	½	26
21	4½	27	2½	27	1	27	1	27	½	27
22	5	29	2½	29	1	29	1	29	½	29
23	5	30	2½	30	1	30	1	30	½	30
24	5	31	2½	31	1	31	1	31	½	31
25	5½	32	2½	33	1½	33	1	33	1	33
26	5½	34	3	34	1½	34	1	34	1	34
27	6	35	3	35	1½	35	1	35	1	35
28	6	36	3	36	1½	36	1	36	1	36
29	6½	38	3	38	1½	38	1	38	1	38
30	6½	39	3	39	1½	39	1	39	1	39
31	6½	40	3½	40	1½	40	1	40	1	40
32	7	42	3½	42	1½	42	1	42	1	42
33	7	43	3½	43	2	43	1	43	1	43
34	7½	44	3½	44	2	44	1	44	1	44
35	7½	45	4	46	2	46	1½	46	1	46
36	8	47	4	47	2	47	1½	47	1	47
37	8	48	4	48	2	48	1½	48	1	48
38	8	49	4	49	2	49	1½	49	1	49
39	8½	51	4	51	2	51	1½	51	1	51
40	8½	52	4½	52	2	52	1½	52	1	52
41	9	53	4½	53	2	53	1½	53	1	53
42	9	55	4½	55	2½	55	1½	55	1	55
43	9½	56	4½	56	2½	56	1½	56	1	56
44	9½	57	5	57	2½	57	1½	57	1	57
45	9½	59	5	59	2½	59	1½	59	1	59
46	10	60	5	60	2½	60	1½	60	1	60
47	10	61	5	61	2½	61	1½	61	1½	61
48	10½	62	5	62	2½	62	1½	62	1½	62
49	10½	64	5½	64	2½	64	2	64	1½	64
50	11	65	5½	65	2½	65	2	65	1½	65
51	11	66	5½	66	3	66	2	66	1½	66
52	11½	68	5½	68	3	68	2	68	1½	68
53	11½	69	5½	69	3	69	2	69	1½	69
54	11½	70	6	70	3	70	2	70	1½	70
55	12	72	6	72	3	72	2	72	1½	72
56	12	73	6	73	3	73	2	73	1½	73
57	12½	74	6	74	3	74	2	74	1½	74
58	12½	75	6½	75	3	75	2	75	1½	75
59	13	77	6½	77	3	77	2	77	1½	77
60	13	78	6½	78	3	78	2	78	1½	78

APPENDIX A—Continued

TABLE V—RETAILER'S ADJUSTMENT FACTORS FOR CASE SALES AND FOR SALES OF INDIVIDUAL CONTAINERS OF IMPORTED AND DOMESTIC MALT BEVERAGES—Continued

[In cents]

Cost change per case	Case sizes									
	6 containers		12 containers		24 containers		36 containers		48 containers	
	Individual container	Case	Individual container	Case	Individual container	Case	Individual container	Case	Individual container	Case
61	13	79	6½	79	3½	79	2	79	1½	79
62	13½	81	6½	81	3½	81	2	81	1½	81
63	13½	82	7	82	3½	82	2½	82	1½	82
64	14	83	7	83	3½	83	2½	83	1½	83
65	14	85	7	85	3½	85	2½	85	2	85
66	14½	86	7	86	3½	86	2½	86	2	86
67	14½	87	7½	87	3½	87	2½	87	2	87
68	14½	88	7½	88	3½	88	2½	88	2	88
69	15	90	7½	90	3½	90	2½	90	2	90
70	15	91	7½	91	4	91	2½	91	2	91
71	15½	92	7½	92	4	92	2½	92	2	92
72	15½	94	8	94	4	94	2½	94	2	94
73	16	95	8	95	4	95	2½	95	2	95
74	16	96	8	96	4	96	2½	96	2	96
75	16	98	8	98	4	98	2½	98	2	98
76	16½	99	8	99	4	99	2½	99	2	99
77	16½	100	8½	100	4	100	3	100	2	100
78	17	101	8½	101	4	101	3	101	2	101
79	17	103	8½	103	4½	103	3	103	2	103
80	17½	104	8½	104	4½	104	3	104	2	104
81	17½	105	9	105	4½	105	3	105	2	105
82	18	107	9	107	4½	107	3	107	2	107
83	18	108	9	108	4½	108	3	108	2	108
84	18	109	9	109	4½	109	3	109	2½	109
85	18½	111	9	111	4½	111	3	111	2½	111
86	18½	112	9½	112	4½	112	3	112	2½	112
87	19	113	9½	113	4½	113	3	113	2½	113
88	19	114	9½	114	5	114	3	114	2½	114
89	19½	116	9½	116	5	116	3	116	2½	116
90	19½	117	9½	117	5	117	3	117	2½	117
91	19½	118	10	118	5	118	3½	118	2½	118
92	20	120	10	120	5	120	3½	120	2½	120
93	20	121	10	121	5	121	3½	121	3	121
94	20½	122	10	122	5	122	3½	122	3	122
95	20½	124	10½	124	5	124	3½	124	3	124

[F. R. Doc. 52-6437; Filed, June 9, 1952; 4:00 p. m.]

[General Overriding Regulation 14, Amdt. 15]

GOR 14—EXCEPTED AND SUSPENDED SERVICES

MAKING AND SUPPLYING ABSTRACTS OF TITLE TO REAL PROPERTY

Pursuant to the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.) as amended, Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 15 to General Overriding Regulation 14 is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment removes from price control fees and charges for making and supplying abstracts of title to real property.

By a prior amendment to General Overriding Regulation 14, other services in connection with real property transfers rendered by real estate brokers, agents, appraisers and mortgage brokers have been exempted from price control. The nature of the service of making and supplying abstracts of title to real property is closely allied to those services already exempted.

It is estimated that the average person requires a title abstract once during his lifetime. Furthermore, the Director has been advised that on the average there are one to five persons in each county engaged in the business of supplying abstracts of title to real property. Fur-

ther, their charges, in many instances, are subject to state control. In view of the non-recurrent need for this service by purchasers and the comparatively small number of sellers, it is expected that this exemption will have little, if any, effect upon the cost of living. The administrative burden of retaining control over such fees and charges is out of proportion to the benefits gained.

This amendment was prepared after the Director of Price Stabilization had consulted with industry representatives, trade associations and individual title abstract companies and consideration has been given to their recommendations.

AMENDATORY PROVISIONS

General Overriding Regulation 14, as amended, is further amended in the following respects:

Paragraph (a) of section 3 is amended by adding at the end thereof the following:

(102) Fees and charges for making and supplying abstracts of title to real property.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This Amendment 15 to General Overriding Regulation 14 shall become effective June 9, 1952.

ELLIS ARNALL,
Director of Price Stabilization.

JUNE 9, 1952.

[F. R. Doc. 52-6456; Filed, June 9, 1952; 4:31 p. m.]

[Ceiling Price Regulation 123, Amdt. 1]

CPR 123—CEILING PRICES FOR UNTREATED EASTERN RAILROAD TIES

MISCELLANEOUS AMENDMENTS

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161, and Economic Stabilization Agency General Order No. 2, this Amendment 1 to Ceiling Price Regulation 123 is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment provides for a number of clarifications and changes in Ceiling Price Regulation 123. Specifically, the following changes are made:

(1) The boundaries of Zones D, G, E and F, are relocated and two new Zones, M and N, are established. This change recognizes the historical differential in prices within the areas covered. The ceiling prices established for the new zones are lower than the ceiling prices already established for Zones D, G and E.

(2) The ceiling prices in Zone A for Group TB cross ties are increased by 10 cents per cross tie. The ceiling prices in the regulation as issued for Group TB ties in Zone A were inadvertently based upon prices prevailing before the issuance date of the regulation for such ties when sold unpeeled. As the basic ceiling prices set forth in section 5 of the regulation are prices for peeled ties, and as section 8 requires that such ceiling prices be reduced 10 cents per tie when ties are sold unpeeled, this change brings the ceiling prices for Group TB cross ties in Zone A into line with the other basic ceiling prices set forth in the regulation.

(3) Producers' dollar-and-cents ceiling prices are established for "Heart" Cypress (Group UC) cross ties in Zone F. When the regulation was issued, it was believed that "Heart" Cypress cross ties were not being produced; and, for that reason, no dollar-and-cents ceiling prices were established for such ties. Since the issuance of the regulation, however, it has been found that "Heart" Cypress cross ties are presently being produced in Zone F. The addition will therefore eliminate the necessity to issue individual orders to producers of "Heart" Cypress ties in Zone F. Because "Heart" Cypress cross ties (Group UC) are used untreated, the ceiling prices established by this amendment are 30 cents higher per cross tie than the ceiling prices for "Sap" Cypress ties (Group TB) which require preservative treatment before they are ultimately used.

(4) Producers' ceiling prices in Zone H are increased by approximately 12 cents per cross tie. In the original regulation producers' ceiling prices were established generally by deducting from railroad purchase prices the tie contractor's markup that was thought to be applicable throughout all zones. However, after the issuance of CPR 123, it was found that most of the tie contractors in Zone H do not perform all the services in the procurement of ties that are normally performed by tie contractors, and they therefore receive a smaller markup than is generally received by tie contractors in other zones. Consequently, Zone H producers' ceiling prices, as established in the regulation, do not reflect the differential that actually existed in that zone between the producers' selling prices and tie contractors' markups. Therefore, the present adjustment in Zone H producers' ceiling prices remedies that situation, and thereby restores the normal relationship between the prices of ties and comparable lumber grades.

(5) The definition of a "tie contractor" in CPR 123 is changed. After the issuance of the regulation it was found that the definition of a tie contractor was too limited in scope and thereby excluded certain persons who historically have been considered by the industry as tie contractors. Therefore, the definition of a "tie contractor" is changed to include persons who produce ties for direct sale to railroads, and to include persons who produce at least 33⅓ percent of the ties they sell; provided they satisfy the other criteria.

(6) The other revisions made by this amendment accomplish minor changes in form.

In the formulation of this amendment, there has been consultation with industry representatives, including trade association representatives, and consideration has been given to their recommendations. This consultation included a meeting with the subcommittee of the Untreated Eastern Railroad Tie Industry Advisory Committee.

In the judgment of the Director of Price Stabilization, the provisions of this amendment are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act.

AMENDATORY PROVISIONS

Ceiling Price Regulation 123 is hereby amended in the following respects:

1. Section 3 (a) (4) is amended to read as follows:

(4) Zone D which includes the portion of Indiana lying south of the south boundaries of the following counties: Adams, Wells, Huntington, Wabash, Fulton, Pulaski, Jasper, and Newton; the portion of Kentucky lying east of the east boundary of Wayne county and north of the south boundaries of the following counties: Henderson, Daviess, Hancock, Breckenridge, Hardin, LaRue, Taylor, Casey, Pulaski; and the counties of Wayne and Mingo in West Virginia.

2. Section 3 (a) (5) is amended to read as follows:

(5) Zone E which includes Virginia, except the portion lying north of the south boundaries of the following counties: Bath, Augusta, Rockingham, Page, Warren, Clarke and Loudoun; and North Carolina, except the portion lying south of the north boundaries of the following counties: Avery, Caldwell, Alexander, Iredell, Davie, Davidson, Randolph, Chatham, Harnett, Cumberland, Sampson, Duplin, Onslow and Carteret.

3. Section 3 (a) (6) is amended to read as follows:

(6) Zone F which includes Georgia; the portion of South Carolina south of the south boundaries of the following counties: Oconee, Pickens, Greenville, Spartanburg, Union, Fairfield, Kershaw, Chesterfield, Marlboro, and Dillon; and Florida, except the portion lying west of the east boundaries of the following counties: Jackson, Calhoun, and Gulf.

4. Section 3 (a) (7) is amended to read as follows:

(7) Zone G which includes Nebraska; the portion of Missouri lying north of the Missouri River; the portion of Illinois lying south of the south boundaries of the following counties: Iroquois, Ford, Livingston, Woodford, Peoria, Knox, Warren and Henderson; and the portion of Illinois lying north of the south boundaries of the following counties: St. Clair, Washington, Jefferson, Hamilton and White.

5. Section 3 (a) is further amended by adding at the end thereof two new subparagraphs, (13) and (14), to read as follows:

(13) Zone M which includes Massac, Pope, Hardin, Gallatin and Saline counties in Illinois; and Union, Webster, McLean, Ohio and Grayson counties in Kentucky.

(14) Zone N which includes the portion of North Carolina east of the west boundaries of the following counties: Cherokee, Graham, Swain, Haywood, Madison, Yancey and Mitchell; and the portion of North Carolina south of the north boundaries of the following counties: Avery, Caldwell, Alexander, Iredell, Davie, Davidson, Randolph, Chatham, Harnett, Cumberland, Sampson, Duplin, Onslow, and Carteret; and the portion of South Carolina north of the south boundaries of the following counties:

Oconee, Pickens, Greenville, Spartanburg, Union, Fairfield, Kershaw, Chesterfield, Marlboro, and Dillon.

6. Section 4 (a) (2) is amended by deleting the word "and" following the letter "K", and by adding the letters "M and N" following the letter "L", so that section 4 (a) (2) now reads as follows:

(2) For ties produced in Zones C, D, E, F, G, I, J, K, L, M, and N, the normal loading out point is the tie yard at a railroad shipping point or at a barge landing nearest the place of production where untreated ties are normally sold.

7. Section 5 (a) is amended by inserting the words and figures "in effect January 31, 1952," between the word "Association" and the word "and," so that section 5 (a) now reads as follows:

SEC. 5. *Producers' ceiling prices*—(a) *Ties covered.* The ceiling prices set forth in this section apply to unseasoned and untreated Eastern railroad cross ties and switch ties conforming to the specifications of the American Railway Engineering Association in effect January 31, 1952, and delivered at a normal loading out point.

8. Section 5 (b) is amended by inserting the new symbol "UC" between symbol "TD" and the word "used," so that paragraph (b) now reads as follows:

(b) *Price tables.* (The symbols TA, TB, TC, TD, UC, used in the tables below are explained in section 21).

9. Section 5 (b) (1) is amended to read as follows:

(1) Zone A.

TABLE 1—CEILING PRICE PER CROSS TIE, F. O. B. CARS

Size	Group and length				
	TA, TC, 8'6"	TD, 8'6"	TA, TC, 8'	TD, 8'	TB, 8'
5	$2.70	$2.55	$2.60	$2.45	
4	2.55	2.40	2.45	2.30	
3A	2.30	2.15	2.20	2.05	
3	2.10	1.95	2.00	1.85	$2.20
2	1.85	1.70	1.75	1.60	1.95
1	1.50	1.35	1.40	1.25	1.65
SR	.75	.60	.70	.50	1.00

TABLE 1A—CEILING PRICES PER MFBM FOR SWITCH TIES 7" x 9", F. O. B. CARS

Length	TA	TB	TC
9' to 12'6", inclusive	$70	$85	$65
13' to 14'6", inclusive	75	90	70
15' to 16', inclusive	75	90	70

10. Section 5 (b) (6) is amended to read as follows:

(6) *Zone F.*

TABLE 6—CEILING PRICE PER CROSS TIE DELIVERED TO TIE YARD

Size	Group and length				
	UC, 8'6"	TA, TB, TC, 8'6"	TD, 8'6"	TA, TB, TC, 8'	TD, 8'
5	$2.20	$1.90	$1.65	$1.80	$1.55
4	2.05	1.75	1.50	1.65	1.40
3A	1.80	1.50	1.25	1.40	1.15
3	1.80	1.50	1.25	1.40	1.15
2	1.50	1.20	.95	1.10	.85
1	1.25	.95	.70	.85	.60
SR	.75	.45	.35	.40	.30

TABLE 6A—CEILING PRICE PER MFBM FOR SWITCH TIES, 7" X 9", DELIVERED TO TIE YARD

Length	TA	TB	TC
9' to 12'6", inclusive	$48	$63	$48
13' to 14'6", inclusive	58	73	58
15' to 16', inclusive	63	78	63

11. Section 5 (b) (8) is amended to read as follows:

(8) *Zone H.*

TABLE 8—CEILING PRICE PER CROSS TIE F. O. B. CARS

Size	Group and length				
	TA, TC, 8'6"	TD, 8'6"	TA, TC, 8'	TD, 8'	TB, 8'
5	$2.75	$2.60	$2.65	$2.50	$1.85
4	2.45	2.30	2.35	2.20	1.75
3a	2.10	1.95	2.00	1.85	1.55
3	2.10	1.95	2.00	1.85	1.55
2	1.80	1.65	1.70	1.55	1.40
1	1.55	1.40	1.45	1.30	1.20
SR	.80	.70	.70	.60	.70

TABLE 8A—CEILING PRICE PER MFBM FOR SWITCH TIES 7" X 9", F. O. B. CARS

Length	TA	TB	TC
9' to 12'6", inclusive	$65	$78	$65
13' to 14'6", inclusive	75	88	75
15' to 16', inclusive	80	93	80

12. Section 5 (b) is further amended by adding at the end thereof two new subparagraphs, (13) and (14), to read as follows:

(13) *Zone M.*

TABLE 13—CEILING PRICE PER CROSS TIE DELIVERED TO TIE YARD

Size	Group and length					
	TA, 8'6"	TB, TC, 8'6"	TD, 8'6"	TA, 8'	TB, TC, 8'	TD, 8'
5	$2.10	$1.95	$1.85	$2.00	$1.85	$1.75
4	1.95	1.80	1.70	1.85	1.70	1.60
3A	1.65	1.50	1.40	1.55	1.40	1.30
3	1.65	1.50	1.40	1.55	1.40	1.30
2	1.45	1.30	1.20	1.35	1.20	1.10
1	1.05	.90	.80	.95	.80	.70
SR	.50	.50	.40	.50	.40	.40

TABLE 13A—CEILING PRICE PER MFBM FOR SWITCH TIES, 7" X 9", DELIVERED TO TIE YARD

Length	TA	TB	TC
9' to 12'6", inclusive	$55	$70	$55
13' to 14'6", inclusive	60	75	60
15' to 16', inclusive	65	80	65

(14) *Zone N.*

TABLE 14—CEILING PRICE PER CROSS TIE DELIVERED TO TIE YARD

Size	Group and length					
	TA, 8'6"	TB, TC, 8'6"	TD, 8'6"	TA, 8'	TB, TC, 8'	TD, 8'
5	$2.10	$2.10	$1.95	$2.00	$2.00	$1.85
4	1.95	1.95	1.80	1.85	1.85	1.70
3A	1.60	1.60	1.45	1.50	1.50	1.35
3	1.60	1.60	1.45	1.50	1.50	1.35
2	1.30	1.30	1.15	1.20	1.20	1.05
1	1.00	1.00	.85	.90	.90	.75
SR	.50	.50	.35	.45	.45	.30

TABLE 14A—CEILING PRICE PER MFBM FOR SWITCH TIES 7" x 9", DELIVERED TO TIE YARD

Length	TA	TB	TC
9' to 12'6", inclusive	$52	$67	$48
13' to 14'6", inclusive	60	75	58
15' to 16', inclusive	65	80	63

13. Section 6 (i) is amended by deleting therefrom the words "within the zone of production," so that Section 6 (i) now reads as follows:

(i) For delivering ties by truck to a treating plant or to a tie yard located within a radius of five miles of such treating plant, you may add as much as $0.10 per cross tie, and as much as $3.00 per MFBM for switch ties.

NOTE: The addition permitted by this subparagraph includes transportation cost to such treating plant or tie yard.

14. The Table of Cross Tie Weights in Section 10 (b) (2) is amended to read as follows:

CROSS TIE WEIGHTS

[Pounds per tie]

Size	Group and length					
	TA		TB, 8'	TB and UC, 8'6"	TC and TD	
	8'	8'6"			8'	8'6"
5	240	255	195	205	220	235
4	220	235	175	185	205	215
3A	200	215	160	170	185	200
3	180	195	145	155	170	180
2	175	190	140	150	160	175
1	170	180	135	145	155	170
SR-7"	200	215	160	170	185	200
SR-6"	175	190	140	150	160	175

15. Paragraphs (a) and (b) of section 12 are amended to read as follows:

(a) *Markup.* If you are a tie contractor, you determine your ceiling prices for sales of ties subject to this regulation in the following manner: Add to your current cost (not to exceed the producers' ceiling price) of ties you purchase or produce, not more than the highest dollar and cents markup, or percentage markup, or a combination of both, as computed in your customary manner, which you made on a representative sale of that item during the base period January 1, 1950 to October 2, 1951, inclusive. The current cost to which a markup is applied in determining your ceiling prices may not include cost elements other than those included in the base period cost on the basis of which you computed the markup. Only one tie contractor's markup may be made under this section.

(b) *Tie contractor defined.* The term "tie contractor" means a person who:

(1) Maintains a concentration yard with supervisory and other employees, who purchase from producers all the ties that he sells, and who sells those ties either to persons purchasing for resale, or to ultimate users, such as railroads, street railways, industrial plants maintaining track facilities, switching and terminal companies, or to persons engaged in building or maintaining tracks for defense projects; or

(2) Produces all the railroad ties that he sells from timber owned by him, and who sells all the ties that he produces, except those rejected by railroads, directly to railroads; or

(3) Produces railroad ties, and who must, in addition, do the following:

(i) Maintains a concentration yard, with supervisory and other employees, where he purchases ties either for sale to persons for resale, or for sale to ultimate users, such as railroads, street railways, industrial plants maintaining track facilities, switching and terminal companies, or for sale to persons engaged in building or maintaining tracks for defense projects; and

(ii) Purchased from producers, during the three calendar months next preceding any calendar month in which he does business as a tie contractor, at least 33⅓ percent of the total amount of ties he sold.

16. Section 21 (a) is amended to read as follows:

(a) *Class T cross ties and switch ties:* This term includes the following species:

(1) *Group TA:* Ashes, Hickories, "Sap" black locust, Honey locust, Red oaks, "Sap" white oaks, and "Sap" black walnut.

(2) *Group TB:* "Sap" cedars, "Sap" cypresses, "Sap" douglas fir, and Firs (True), Hemlocks, "Sap" larches, "Sap" pines, "Sap" redwood, and Spruces.

(3) *Group TC:* Beech, Birches, Cherries, Gums, and Hard maples.

(4) *Group TD:* "Sap" catalpas, "Sap" chestnut, Elms, Hackberries, Soft maples, "Sap" mulberries, Poplars, "Sap" sassafras, Sycamores, and White walnut.

17. Section 21 is further amended by adding at the end thereof a new paragraph, (M), to read as follows:

(M) *Group UC.* This term includes "Heart" cedars, "Heart" cypresses and "Heart" redwood.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This Amendment 1 to Ceiling Price Regulation 123 is effective June 16, 1952.

ELLIS ARNALL,
Director of Price Stabilization.

JUNE 10, 1952.

[F. R. Doc. 52-6494; Filed, June 10, 1952; 4:00 p. m.]

[General Ceiling Price Regulation, Supplementary Regulation 63, Area Milk Price Regulation 19, Revocation]

GCPR, SR 63—AREA MILK PRICE ADJUSTMENTS

AMPR 19—NORTH TEXAS MILK MARKETING AREA, STATE OF TEXAS

REVOCATION

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong.), Executive Order 10161 (15 F. R. 6105), Economic Stabilization Agency General Order No. 2 (16 F. R. 738), Delegation of Authority No. 41 (16 F. R. 12679), Supplementary Regulation 63, as amended, to the General Ceiling Price Regulation (16 F. R. 9559), Area Milk Price Regulation 19 (17 F. R. 2721) is hereby revoked.

STATEMENT OF CONSIDERATIONS

Area Milk Price Regulation 19 was issued effective April 14, 1952. Amendment 1 extended the effective date of the regulation until June 9, 1952, to allow the Regional Director of the Office of Price Stabilization sufficient time to study historical discount practices peculiar to the North Texas Milk Marketing Area. This information was not submitted by the petitioners prior to the original issuance of the regulation.

In addition to the inclusion of discount data, the petitioners suggested a minor change in the method employed for allocation of raw material costs. The new study was completed and showed only slightly different results than were obtained from the original study.

During the time in which the study was being completed, certain events occurred in this milk marketing area which caused the petitioners to request the Regional Director to consider the advisability of revoking AMPR 19 prior to its effective date. Among these events was an amendment to Federal Milk Marketing Order No. 43 for the North Texas Milk Marketing Area which, among other provisions, established a minimum producer price of $6.68 per cwt. for Class I milk. This was done during the flush production period. Normal seasonal declines in producer prices have occurred in several other milk sheds adjacent to this area.

Another factor bearing on the question of revocation of AMPR 19 is a possible change in the customary practice of having no differential between home delivered and store sales of fluid milk. This change, if put into effect by the processor-distributors, will of necessity result in a lower retail store sale price.

A third factor considered in this revocation is that, based on the study of the Regional Director which took into consideration customary discounts and used the minor change in allocation as suggested by the petitioners, the processor-distributors would obtain approximately the same revenue by remaining under the GCPR. Also, no saving to the consumers would result from AMPR 19 becoming effective.

The Regional Director has consulted with industry representatives and has given due consideration to their recommendations in issuing this revocation of AMPR 19.

REVOCATORY PROVISION

Area Milk Price Regulation 19, as amended, issued pursuant to Supplementary Regulation 63 to the General Ceiling Price Regulation, is revoked as of June 9, 1952.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

ALFRED L. SALYE,
Regional Director of Price Stabilization, Region X.

JUNE 9, 1952.

[F. R. Doc. 52-6455; Filed, June 9, 1952; 4:30 p. m.]

Chapter VI—National Production Authority, Department of Commerce

[NPA Order M-103, Amdt. 1 of June 10, 1952]

M-103—DIAMOND GRINDING WHEELS

RESTRICTIONS ON PRODUCERS

This amendment to NPA Order M-103 is found necessary and appropriate to promote the national defense and is issued under the authority granted by the Defense Production Act of 1950, as amended. In the formulation of this amendment, consultation with industry representatives has been rendered impracticable due to the necessity for immediate action.

This amendment affects NPA Order M-103 by changing the provisions of section 5 (a).

AMENDATORY PROVISIONS

1. NPA Order M-103 is hereby amended by changing section 5 (a) to read as follows:

(a) On and after May 12, 1952, no producer shall make a diamond grinding wheel having a depth of the diamond section of such wheel in excess of one-eighth inch. Depth shall be considered as the smallest dimension of the diamond section. This limitation on the depth of the diamond section shall not apply to lens-generating tools, cut-off wheels, saws, pencil-edging wheels, wheels 1- by ¾-inch and smaller, or mounted wheels and points.

(Sec. 704, 64 Stat. 816, Pub. Law 96, 82d Cong.; 50 U. S. C. App. Sup. 2154)

This amendment shall take effect June 10, 1952.

NATIONAL PRODUCTION AUTHORITY,
BY JOHN B. OLVERSON,
Recording Secretary.

[F. R. Doc. 52-6493; Filed, June 10, 1952; 11:44 a. m.]

[NPA Reg. 2, Interpretation 3 of June 10, 1952]

REG. 2—BASIC RULES OF THE PRIORITIES SYSTEM

INT. 3—USE OF DO RATING FOR THE LEASE OF MACHINERY OR EQUIPMENT

1. This is an interpretation of paragraph (d) of section 2 of NPA Reg. 2 which paragraph defines what is meant by a "rated order." Generally, where a DO rating may properly be used pursuant to NPA Reg. 2 to obtain delivery of materials or products, it may be used only for the purpose of acquiring them by purchase. However, where a DO rating may properly be used to obtain delivery of an item of machinery or equipment, the DO rating may be used (unless otherwise expressly provided in any other regulation or order of NPA) to lease the item, but only if all the following conditions are fulfilled:

(a) The item is leased from the manufacturer thereof, either directly or through a wholly-owned subsidiary corporation.

(b) It is the established custom of such manufacturer not to sell but only

to rent, in said manner, the machine or equipment.

(c) The lease is a long-term arrangement in which both parties contemplate a comparatively permanent installation of the machine or equipment. For instance, a rating could be used to obtain a machine under lease where the lease is for 1 year with provision for renewal by the lessee at the end of each year, and both parties expect that the lease will be renewed from time to time. However, the rating cannot be used to obtain a machine for use only during a short period of time, such as a year or a month.

2. If an authorization issued by the National Production Authority grants the right to use a rating and specifically authorizes the use of the rating to lease a machine or item of equipment, compliance with the above conditions is not necessary.

[Sec. 704, 64 Stat. 816, Pub. Law 96, 82d Cong.; 50 U. S. C. App. Sup. 2154]

Issued June 10, 1952.

NATIONAL PRODUCTION AUTHORITY,
By JOHN B. OLVERSON,
Recording Secretary.

[F. R. Doc. 52-6492; Filed, June 10, 1952; 11:44 a. m.]

Chapter XV—Federal Reserve System

[Regulation X, Amdt. 10]

REG. X—REAL ESTATE CREDIT

1. Effective June 11, 1952, Regulation X is amended in the following respects:

a. In paragraph (e) of section 5 strike out the words "real estate construction credit as to which" and insert therefor the following: "real estate construction credit (1) which is extended pursuant to a program established by the Housing and Home Finance Administrator to relieve distress caused by flood, fire, or other similar disaster, or (2) as to which".

b. Add the following sentence at the end of paragraph (f) of section 5: "None of the provisions of this regulation shall apply to any contract to sell real property under which the purchaser is not to receive title, and not to have any occupancy or other use of the property, until the terms of the credit conform to the applicable provisions of this regulation in effect on the date the contract was entered into."

c. In subparagraph (1) of paragraph (a) of section 7 (the supplement to the regulation) delete the table and insert therefor the following:

If the "value per family unit" is—	The "maximum loan value per family unit" is—
Not more than $7,000	95% of "value per family unit."
More than $7,000 but not more than $10,000.	$6,300 (i. e., 90% of $7,000) plus 75% of excess of "value per family unit" over $7,000.
More than $10,000 but not more than $15,000.	$8,550 plus 55% of excess of "value per family unit" over $10,000.
More than $15,000 but not more than $21,000.	$11,300 plus 45% of excess of "value per family unit" over $15,000.
More than $21,000 but not more than $25,000.	$14,000 plus 25% of excess of "value per family unit" over $21,000.
Over $25,000	60% of "value per family unit."

d. In subparagraph (1) of paragraph (b) of section 7 delete the table and insert therefor the following:

If the "value per family unit" is—	The "maximum loan value per family unit" is—
Not more than $7,000	90% of "value per family unit."
More than $7,000 but not more than $10,000.	$6,300 plus 55% of "value per family unit" in excess of $7,000.
More than $10,000 but not more than $15,000.	$7,950 plus 54% of "value per family unit" in excess of $10,000.
More than $15,000 but not more than $20,000.	$10,650 plus 50% of "value per family unit" in excess of $15,000.
More than $20,000 but not more than $25,000.	$13,150 plus 37% of "value per family unit" in excess of $20,000.
Over $25,000	60% of "value per family unit."

2. a. The above amendment is issued by the Board of Governors of the Federal Reserve System, with the concurrence of the Housing and Home Finance Administrator with respect to provisions relating to real estate construction credit involving residential property and multi-unit residential property, under authority of the Defense Production Act of 1950, approved September 8, 1950, as amended, and Executive Order No. 10161, dated September 9, 1950.

The amendment is designed primarily to modify and relax previous credit restrictions as to one- to four-unit residential and multi-unit residential property. It also contains provisions of a technical nature intended to clarify those provisions of the regulation which exempt (1) extensions of credit which are necessary for restoring property damaged or destroyed by flood, fire, or other casualty, and (2) certain contracts to sell real property.

b. Section 709 of the Defense Production Act of 1950 provides that the functions exercised under such act shall be excluded from the operations of the Administrative Procedure Act (60 Stat. 237) except as to the requirements of section 3 thereof.

The change in section 7 was adopted by the Board after consideration of all relevant matter, including the recommendations received from time to time in consultations with industry and trade association representatives. Special circumstances prevented or rendered impracticable consultation with industry representatives, including trade association representatives, in the formulation of certain provisions of the amendment which are of a technical nature, and, therefore, as authorized by the aforesaid section 709, these provisions have been included in the amendment without such consultation.

(Sec. 704, 64 Stat. 798, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp. Interprets or applies sec. 602, 64 Stat. 798)

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
[SEAL] S. R. CARPENTER,
Secretary.

[F. R. Doc. 52-6440; Filed, June 9, 1952; 5:00 p. m.]

Chapter XXI—Office of Rent Stabilization, Economic Stabilization Agency

[Rent Regulation 1, Amdt. 13 to Schedule B]

[Rent Regulation 2, Amdt. 11 to Schedule B]

RR 1—HOUSING

RR 2—ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS

SCHEDULE B—SPECIFIC PROVISIONS RELATING TO INDIVIDUAL DEFENSE-RENTAL AREA OR PORTIONS THEREOF

INDIANA

Effective June 12, 1952, Rent Regulation 1 and Rent Regulation 2 are amended so that the items of Schedule B read as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 6th day of June 1952.

TIGHE E. WOODS,
Director of Rent Stabilization.

A new item 56 is added to Schedule B of Rent Regulation 1 and a new item 60 is added to Schedule B of Rent Regulation 2, reading as follows:

Provisions relating to the Towns of Highland and Munster and the City of Whiting in Lake County, Indiana, portions of the Gary-Hammond Defense-Rental Area (Item 102 of Schedule A).

Section 91 et seq. relating to the establishment of maximum rents shall be applicable to housing accommodations in the Towns of Highland and Munster and the City of Whiting, in Lake County, Indiana, instead of section 81 et seq. relating to the establishment of maximum rents.

All provisions of this regulation insofar as they are applicable to the Towns of Highland and Munster and the City of Whiting in Lake County, Indiana are hereby amended to the extent necessary to carry the provisions of these items of Schedule B into effect.

[F. R. Doc. 52-6402; Filed June 10, 1952; 8:53 a. m.]

[Rent Regulation 1, Amdt. 51 to Schedule A]

[Rent Regulation 2, Amdt. 49 to Schedule A]

RR 1—HOUSING

RR 2—ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS

SCHEDULE A—DEFENSE-RENTAL AREAS

NEW MEXICO

These amendments are issued as a result of joint certification(s) pertaining to critical defense housing areas by the Secretary of Defense and the Director of

Defense Mobilization under section 204 (l) of the Housing and Rent Act of 1947, as amended, and a determination as to the relaxation of real estate construction credit controls under section 204 (m) of said act.

Effective June 12, 1952, Rent Regulation 1 and Rent Regulation 2 are amended so that the item(s) of Schedule A read(s) as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 6th day of June 1952.

TIGHE E. WOODS,
Director of Rent Stabilization.

State and name of defense-rental area	Class	County or counties in defense-rental area under regulation	Maximum rent date	Effective date of regulation
New Mexico				
(197a) San Juan	A	San Juan County	July 1, 1951	June 12, 1952

[F. R. Doc. 52-6406; Filed, June 10, 1952; 8:55 a. m.]

[Rent Regulation 1, Amdt. 52 to Schedule A]

[Rent Regulation 2, Amdt. 50 to Schedule A]

RR 1—HOUSING

RR 2—ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS

SCHEDULE A—DEFENSE-RENTAL AREAS

ILLINOIS, MICHIGAN, AND WASHINGTON

Effective June 11, 1952, Rent Regulation 1 and Rent Regulation 2 are amended as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 6th day of June 1952.

TIGHE E. WOODS,
Director of Rent Stabilization.

1. Schedule A, Item 83, is amended to describe the counties in the defense-rental area as follows:

Cook County, except the Cities of Berwyn, Blue Island, Calumet City, Chicago Heights, Des Plaines, Harvey, Park Ridge, and that portion of the City of Elgin located therein, and the Villages of Arlington Heights, Bartlett, Bellwood, Brookfield, Burnham, Calumet Park, Crestwood, Dolton, East Hazelcrest, Flossmoor, Franklin Park, Glencoe, Glenview, Hazelcrest, Hillside, Homewood, Kenilworth, La Grange, La Grange Park, Lansing, Lemont, Lyons, Markham, Matteson, Mt. Prospect, Northfield, Oak Forest, Orland Park, Palatine, Phoenix, Riverdale, River Forest, Riverside, South Holland, Thornton, Tinley Park, Westchester, Western Springs, Wheeling, Wilmette, Winnetka, and those portions of the Villages of Barrington, Hinsdale and Steger located therein; in Du Page County, the Villages of Downers Grove and Westmont; Kane County, except that portion of the City of Elgin located therein, the Cities of Batavia, Geneva and St. Charles, and the Villages of East Dundee, Hampshire, South Elgin and West Dundee; and Lake County, except the City of Lake Forest, the Villages of Deerfield and Grayslake, and that portion of the Village of Barrington located therein.

This decontrols the Village of Lombard in Du Page County, Illinois, a portion of the Chicago, Illinois Defense-Rental Area.

2. Schedule A, Item 89, is amended to describe the counties in the defense-rental area as follows:

Rock Island County, except the Cities of Moline and Rock Island, and all unincorporated localities; Scott County, Iowa, except the Cities of Bettendorf and Davenport, the Towns of Buffalo, Le Claire, Long Grove, Princeton and Wolcott, and all unincorporated localities

Ditto

In Rock Island County, Illinois, the City of Moline and all unincorporated localities; in Scott County, Iowa, the Cities of Bettendorf and Davenport, the Towns of Buffalo, Le Claire, Long Grove, Princeton and Wolcott, and all unincorporated localities.

This decontrols the City of Rock Island in Rock Island County, Illinois, a portion of the Quad Cities Defense-Rental Area.

3. Schedule A, Item 149, is amended to describe the counties in the defense-rental area as follows:

Oakland County, except (i) the Townships of Addison, Avon, Bloomfield, Brandon, Commerce, Farmington, Groveland, Highland, Holly, Independence, Milford, Novi, Oakland, Orion, Oxford, Pontiac, Rose, Springfield, Troy, Waterford and West Bloomfield, (ii) the Villages of Clarkston, Holly, Lake Orion, Leonard, Milford, Ortonville, Oxford, Rochester and that portion of Northville located in Oakland County, and (iii) the Cities of Berkley, Birmingham, Bloomfield Hills, Clawson, Farmington, Ferndale, Hazel Park, Pleasant Ridge, Pontiac, Royal Oak, South Lyon and Sylvan Lake; Wayne County, except (i) the Cities of Belleville, Garden City, Grosse Pointe, Grosse Pointe Farms, Grosse Pointe Park, Grosse Pointe Woods, Lincoln Park, Livonia, Melvindale, Plymouth and River Rouge, (ii) the Villages of Allen Park, Flat Rock, Grosse Pointe Shores, Inkster, Rockwood, Trenton and Wayne, (iii) that portion of the Village of Northville located in Wayne County, and (iv) the Townships of Brownstown, Canton, Ecorse, Grosse Ile, Huron, Nankin, Northville, Plymouth, Romulus, Sumpter, Taylor, and Van Buren; and Macomb County, except the Cities of East Detroit and Mount Clemens, the Villages of Fraser and Roseville, and the Townships of Armada, Bruce, Harrison, Lenox, Macomb, Ray, Richmond, Shelby, Sterling and Washington.

This decontrols the Cities of Garden City, Livonia and River Rouge all in Wayne County, Michigan, a portion of the Detroit, Michigan, Defense-Rental Area.

4. Schedule A, Item 152, is amended to describe the counties in the defense-rental area as follows:

Calhoun County, except the City of Battle Creek and the Townships of Battle Creek, Bedford and Emmett.

This decontrols the Township of Emmett in Calhoun County, Michigan, a portion of the Kalamazoo-Battle Creek, Michigan Defense-Rental Area.

5. Schedule A, Item 348, is amended to describe the counties in the defense-rental area as follows:

Snohomish County, except the Cities of Edmonds, Granite Falls and Snohomish, and the Towns of East Stanwood, Marysville, Stanwood and Sultan.

This decontrols the City of Granite Falls in Snohomish County, Washington, a portion of the Everett, Washington Defense-Rental Area.

All decontrols effected by these amendments are based on resolutions submitted under section 204 (j) (3) of the Housing and Rent Act of 1947, as amended.

[F. R. Doc. 52-6403; Filed, June 10, 1952; 8:54 a. m.]

[Rent Regulation 1, Amdt. 53 to Schedule A]

[Rent Regulation 2, Amdt. 51 to Schedule A]

RR 1—HOUSING

RR 2—ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS

SCHEDULE A—DEFENSE-RENTAL AREAS

INDIANA

These amendments are issued as a result of joint certification(s) pertaining to critical defense housing areas by the Secretary of Defense and the Director of Defense Mobilization under section 204 (l) of the Housing and Rent Act of 1947, as amended, and a determination as to the relaxation of real estate construction credit controls under section 204 (m) of said act.

Effective June 12, 1952, Rent Regulation 1 and Rent Regulation 2 are amended so that the item(s) of Schedule A read(s) as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 6th day of June 1952.

TIGHE E. WOODS,
Director of Rent Stabilization.

State and name of defense-rental area	Class	County or counties in defense-rental area under regulation	Maximum rent date	Effective date of regulation
Indiana				
(102) Gary-Hammond	B	Lake County, except the cities of Crown Point, East Chicago, Hammond, Hobart, and Whiting, the towns of Highland and Munster, and the townships of Cedar Creek, Eagle Creek, Hanover, West Creek, and Winfield.	Mar. 1, 1942	Oct. 1, 1942
	C	do	Jan. 1, 1951	June 12, 1952
	A	In Lake County, the cities of Crown Point, East Chicago, Hammond, Hobart, and Whiting, the towns of Highland and Munster, and the townships of Hanover and Winfield.	do	Do.

[F. R. Doc. 52-6400; Filed, June 10, 1952; 8:53 a. m.]

[Rent Regulation 3, Amdt. 63 to Schedule A]

[Rent Regulation 4, Amdt. 5 to Schedule A]

RR 3—HOTELS

RR 4—MOTOR COURTS

SCHEDULE A—DEFENSE-RENTAL AREAS

NEW MEXICO

This amendment is issued as a result of joint certifications pertaining to critical defense housing areas by the Secretary of Defense and the Director of Defense Mobilization under section 204 (l) of the Housing and Rent Act of 1947, as amended, and a determination as to the relaxation of real estate construction credit controls under section 204 (m) of said act.

Effective June 12, 1952, Rent Regulation 3 and Rent Regulation 4 are amended so that the items of Schedule A read as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 6th day of June 1952.

TIGHE E. WOODS,
Director of Rent Stabilization.

Name of defense-rental area	State	County or counties in defense-rental area under regulation	Maximum rent date	Effective date of regulation
(197a) San Juan	New Mexico	San Juan County	July 1, 1951	June 12, 1952

[F. R. Doc. 52-6405; Filed, June 10, 1952; 8:54 a. m.]

[Rent Regulation 3, Amdt. 64 to Schedule A]

[Rent Regulation 4, Amdt. 7 to Schedule A]

RR 3—HOTELS

RR 4—MOTOR COURTS

SCHEDULE A—DEFENSE-RENTAL AREAS

INDIANA

This amendment is issued as a result of joint certification(s) pertaining to critical defense housing areas by the Secretary of Defense and the Director of Defense Mobilization under section 204 (l) of the Housing and Rent Act of 1947, as amended, and a determination as to the relaxation of real estate construction credit controls under section 204 (m) of said act.

Effective June 12, 1952, Rent Regulation 3 and Rent Regulation 4 are amended so that the item(s) of Schedule A read(s) as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 6th day of June 1952.

TIGHE E. WOODS,
Director of Rent Stabilization.

Name of defense-rental area	State	County or counties in defense-rental area under regulation	Maximum rent date	Effective date of regulation
(102) Gary-Hammond	Indiana	Lake County, except the townships of Cedar Creek, Eagle Creek, and West Creek.	Jan. 1, 1951	June 12, 1952

[F. R. Doc. 52-6401; Filed, June 10, 1952; 8:53 a. m.]

[Rent Regulation 4, Amdt. 6 to Schedule A]

RR 4—MOTOR COURTS

SCHEDULE A—DEFENSE-RENTAL AREAS

ILLINOIS

Effective June 11, 1952, Rent Regulation 4 is amended as set forth below.

(Sec. 204, 61 Stat. 197, as amended; 50 U. S. C. App. Sup. 1894)

Issued this 6th day of June 1952.

TIGHE E. WOODS,
Director of Rent Stabilization.

Schedule A, Item 89, is amended to describe the counties in the defense-rental area as follows:

Rock Island County, except the City of Rock Island.
Scott County.

This decontrols the City of Rock Island in Rock Island County, Illinois, a portion of the Quad Cities Defense-Rental Area, based on a resolution submitted under section 204 (j) (3) of the Housing and Rent Act of 1947, as amended.

[F. R. Doc. 52-6404; Filed, June 10, 1952; 8:54 a. m.]

TITLE 7—AGRICULTURE

Chapter I—Production and Marketing Administration (Standards, Inspections, Marketing Practices), Department of Agriculture

PART 42—UNITED STATES STANDARDS, GRADES, AND WEIGHT CLASSES FOR SHELL EGGS

CONSUMER, PROCUREMENT AND WHOLESALE GRADES, AND WEIGHT CLASSES FOR SHELL EGGS

A notice of proposed rule making was published in the FEDERAL REGISTER on April 23, 1952 (17 F. R. 3606) regarding a proposed revision of Subpart B, United States Consumer Grades and Weight Classes for Shell Eggs; Subpart D, United States Wholesale Grades and Weight Classes for Shell Eggs; and the addition of a new Subpart C, United States Procurement Grades and Weight Classes for Shell Eggs.

After consideration of all relevant matters presented including the proposals set forth in the aforesaid notice, the grades and weight classes hereinafter set forth are promulgated pursuant to authority contained in the Department of Agriculture Appropriation Act of 1952 (Pub. Law 135, 82d Cong., approved August 31, 1951) to become effective on July 1, 1952.

It is hereby found that it is impractical, unnecessary, and contrary to public interest to postpone the effective date of these grades for thirty (30) days after publication in the FEDERAL REGISTER for the reasons that (1) the consumer and wholesale grades are essentially the same as those currently in effect, (2) the revisions are to effect greater coordination between the United States standards and grades and the Federal Specifications used in the Armed Forces procurement program, and delay in the effective date would not be in the best interests of the defense food procurement program, and (3) additional time is not required in order for the industry to make preparation for compliance with the grades and weight classes hereinafter promulgated.

The grades and weight classes for shell eggs are as follows:

SUBPART B—UNITED STATES CONSUMER GRADES AND WEIGHT CLASSES FOR SHELL EGGS

Sec.
42.30 General.
42.31 Grades.
42.32 Summary of grades.
42.33 Weight classes.
42.34 Weight tolerances.

SUBPART C—UNITED STATES PROCUREMENT GRADES AND WEIGHT CLASSES FOR SHELL EGGS

42.40 General.
42.41 Grades.
42.42 Summary of grades.
42.43 Weight classes.
42.44 Weight tolerances.

SUBPART D—UNITED STATES WHOLESALE GRADES AND WEIGHT CLASSES FOR SHELL EGGS

42.50 General.
42.51 Grades.
42.52 Summary of grades.
42.53 Weight classes.
42.54 Weight tolerances.

AUTHORITY: §§ 42.30 to 42.54 issued under sec. 205, 60 Stat. 1090, Pub. Law 135, 82d Cong.; 7 U. S. C. 1624.

SUBPART B—UNITED STATES CONSUMER GRADES AND WEIGHT CLASSES FOR SHELL EGGS

§ 42.30 *General.* (a) These grades are applicable to edible shell eggs in "lot" quantities rather than on an "individual" egg basis. A lot may contain any quantity of 2 or more eggs. Reference in these standards to the term "case" means 30 dozen egg cases as used in commercial practice in the United States.

(b) Terms used in this part that are defined in the United States standards for quality of individual shell eggs (§ 42.1 et seq.) have the same meaning in this part as in those standards.

(c) An aggregate tolerance of 20 percent is permitted within each consumer grade only as an allowance for variable efficiency and interpretation of graders, normal changes under favorable conditions during reasonable periods between grading and inspection, and reasonable variation of inspector's interpretation.

(d) Substitution of higher qualities for the lower qualities specified is permitted.

§ 42.31 *Grades.* (a) "U. S. Consumer Grade AA" shall consist of eggs of which at least 80 percent are AA Quality. Within the maximum tolerance of 20 percent, which may be below AA Quality, not more than 5 percent may be of the qualities below A, in any combination, but not including Dirties and Leakers.

(b) "U. S. Consumer Grade A" shall consist of eggs of which at least 80 percent are A Quality or better. Within the maximum tolerance of 20 percent which may be below A Quality, not more than 5 percent may be of the qualities below B, in any combination but not including Dirties and Leakers.

(c) "U. S. Consumer Grade B" shall consist of eggs of which at least 80 percent are B Quality or better. Within the maximum tolerance of 20 percent which may be below B Quality, 10 percent may be C Quality or Stained, in any combination, and not over 10 percent may be Dirties or Checks in any combination.

(d) "U. S. Consumer Grade C" shall consist of eggs of which at least 80 percent are C Quality or Stained, in any combination, or better, and the balance may be Dirties or Checks in any combination.

(e) Eggs with stained shells but otherwise conforming to U. S. Consumer Grade A or U. S. Consumer Grade B may be classified as "U. S. Consumer Grade A, Stained", or "U. S. Consumer Grade B, Stained", respectively.

(f) *Additional tolerances.* (1) Within the maximum tolerance permitted an allowance will be made at receiving points or shipping destination for ½ percent Leakers in U. S. Consumer Grades AA, A, and B, and one percent in Grade C.

(2) In lots of more than 30 cases no individual case may fall below 70 percent of the specified quality and in lots of 30 cases or less the 80 percent minimum requirement shall apply to each individual case.

(g) "No grade" means eggs of possible edible quality that fail to meet the requirements of an official U. S. Grade or that have been contaminated by smoke, chemicals, or other foreign material which has seriously affected the character, appearance, or flavor of the eggs.

§ 42.32 *Summary of grades.* The summary of the U. S. Consumer Grades for Shell Eggs follows as Table I of this section:

TABLE I—SUMMARY OF U. S. CONSUMER GRADES FOR SHELL EGGS

U. S. consumer grade	At least 80 percent (lot average)[1] must be—	Tolerance permitted[2]	
		Percent	Quality
Grade AA	AA Quality	15 to 20	A.
		Not over 5[3]	B, C, Stained, or Check.
Grade A	A Quality or better	15 to 20	B.
		Not over 5[3]	C, Stained, or Check.
Grade B	B Quality or better	10 to 20	C or Stained.
		Not over 10[3]	Dirty or Check.
Grade C	C Quality or better	Not over 20	Dirty or Check.

[1] In lots of more than 30 cases no individual case may fall below 70 percent of the specified quality and in lots of 30 cases or less the 80 percent minimum requirement shall apply to each individual case.
[2] Within tolerance permitted, an allowance will be made at receiving points or shipping destination for ½ percent leakers in Grades AA, A, and B, and 1 percent in Grade C.
[3] Substitution of higher qualities for the lower qualities specified is permitted.

§ 42.33 *Weight classes.* The weight classes for U. S. Consumer Grades for Shell Eggs shall be as indicated in Table II of this section and apply to all consumer grades.

TABLE II—U. S. WEIGHT CLASSES FOR CONSUMER GRADES FOR SHELL EGGS

Size or weight class	Minimum net weight per dozen	Minimum net weight per 30 dozen	Minimum weight for individual eggs at rate per dozen
	Ounces	*Pounds*	*Ounces*
Jumbo	30	56	29
Extra Large	27	50½	26
Large	24	45	23
Medium	21	39½	20
Small	18	34	17
Peewee	15	28	

§ 42.34 *Weight tolerances.* Minimum weights listed for individual eggs at the rate per dozen are permitted in various size classes only to the extent that they will not reduce the net weight per dozen below the required minimum.

SUBPART C—UNITED STATES PROCUREMENT GRADES AND WEIGHT CLASSES FOR SHELL EGGS

§ 42.40 *General.* (a) These procurement grades are applicable only to shell eggs in lot quantities. They are designed primarily for Government and institutional procurement. A lot may contain any quantity of one or more cases. Reference to the term "case" means a 30-dozen egg case as used in commercial practice in the United States.

(b) All terms in the United States standards for quality of individual shell eggs (7 CFR 42.1 et seq.) shall, when used in this part, have the same meaning as is given to them in such standards.

(c) Substitution of higher qualities for the lower qualities specified is permitted.

§ 42.41 *Grades.* (a) "U. S. Procurement Grade I" shall consist of eggs of which at least 80 percent are A Quality or better. Within the maximum of 20 percent which may be below A Quality, not more than 5 percent may be of the qualities below B. Said maximum tolerance of 5 percent may consist of C Quality, Stained, and not more than 3 percent Checks, and not more than 3/10 percent Dirties, Leakers, and Loss combined.

(b) "U. S. Procurement Grade II" shall consist of eggs of which at least 60 percent are A Quality or better. Within the maximum of 40 percent which may be below A Quality, not more than 10 percent may be of the qualities below B. Said maximum tolerance of 10 percent may consist of C Quality, Stained, and not more than 3 percent Checks, and not more than 3/10 percent Dirties, Leakers, and Loss combined.

(c) "U. S. Procurement Grade III" shall consist of eggs of which at least 40 percent are A Quality or better. Within the maximum of 60 percent, which may be below A Quality, not more than 11.7 percent may be of the qualities below B. Said maximum tolerance of 11.7 percent may consist of C Quality, Stained, and not more than 3 percent Checks and not more than 3/10 percent Dirties, Leakers, and Loss combined.

(d) "U. S. Procurement Grade IV" shall consist of eggs of which at least 20 percent are A Quality or better. Within the maximum of 80 percent, which may be below A Quality, not more than 11.7 percent may be of the qualities below B.

Said maximum tolerance of 11.7 percent may consist of C Quality, Stained, and not more than 3 percent Checks and not more than 3/10 percent Dirties, Leakers, and Loss combined.

(e) *Individual case tolerances within a lot applying to each of the procurement grades.* (1) Individual cases may contain not over 10 percent less A Quality eggs than specified for any procurement grade provided the average percentage of A Quality eggs for the lot is not less than the percentage specified. In lots of 200 cases or more one case in each 10 examined may contain not over 20 percent less A Quality eggs than the minimum percentage specified for the grade.

(2) Individual cases may contain not over 18 percent eggs below B Quality provided the average percentage for the lot is not more than is specified for the grade.

§ 42.42 *Summary of grades.* The summary of the U. S. Procurement Grades for Shell Eggs follows as Table I of this section:

TABLE I—SUMMARY OF UNITED STATES PROCUREMENT GRADES FOR SHELL EGGS

U. S. Procurement Grade	A quality or better (lot average at least)	Maximum tolerance permitted [1] [2] (lot average)	
	Percent	Percent	Quality
I	80	15 to 20	B.
		Not over 5	C, Stained, Check, Dirty, Leaker, and Loss.
II	60	30 to 40	B.
		Not over 10	C, Stained, Check, Dirty, Leaker, and Loss.
III	40	48.3 to 60	B.
		Not over 11.7	C, Stained, Check, Dirty, Leaker, and Loss.
IV	20	68.3 to 80	B.
		Not over 11.7	C, Stained, Check, Dirty, Leaker, and Loss.

[1] Individual cases may contain not over 10 percent less A Quality eggs than permitted for the lot, provided the average for the lot is not less than the tolerance permitted in any grade. In lots of 200 cases or more, one case in each 10 examined may contain not over 20 percent less A Quality eggs than is permitted in any grade.

[2] Within each tolerance for qualities below B, each of the grades may contain not over 3 percent Checks, and a combined total of not over 3/10 percent Dirties, Leakers, and Loss. Individual cases may contain not over 18 percent of qualities below B, provided the average for the lot does not exceed the tolerances permitted in any grade.

§ 42.43 *Weight classes.* The weight classes for United States Procurement Grades for Shell Eggs shall be as indicated in Table II of this section and apply to all procurement grades.

TABLE II—WEIGHT CLASSES FOR UNITED STATES PROCUREMENT GRADES

Weight classes	Average net weight on lot basis 30-dozen case	Minimum net weight individual 30-dozen case	Minimum weight for individual eggs, at the rate per dozen	Minimum average percent of individual eggs below minimum weight lot average [1]
	Pounds	*Pounds*	*Ounces*	*Percent*
Extra Large	50.5	50	26	3.33
Large	45	44.5	23	3.33
Medium	39.5	39	20	3.33
Small	34	33.5	17	3.33

[1] Individual cases may contain not over 10 percent of individual eggs below minimum weights.

§ 42.44 *Weight tolerances.* Minimum weights listed for individual eggs at the rate per dozen are permitted in various size classes only to the extent that they will not reduce the net weight per 30-dozen case below the required minimum.

SUBPART D—UNITED STATES WHOLESALE GRADES AND WEIGHT CLASSES FOR SHELL EGGS

§ 42.50 *General.* (a) These wholesale grades are applicable only to shell eggs.

(b) All terms in the United States standards for quality of individual shell eggs (7 CFR 42.1 et seq.) shall, when used in this part, have the same meaning as is given to them in such standards.

(c) Substitution of higher qualities for the lower qualities specified is permitted.

(d) The term "refrigerator eggs" means eggs which have been held under refrigeration for a period of not less than 30 days.

§ 42.51 *Grades.* (a) "U. S. Specials ____ % AA Quality" shall consist of eggs of which at least 20 percent are AA Quality; and the actual percentage of AA Quality eggs shall be stated in the grade name. The balance may be A Quality except for permitted tolerances, per 30 dozen of eggs, of which 27 eggs (7.5 percent) may be B Quality, C Quality, Stained, Dirties, or Checks in any combination, and 6 eggs (1.7 percent) may be Loss.

(b) "U. S. Extras _____% A Quality" shall consist of eggs of which at least 20 percent are not less than A Quality; and the actual total percentage of A Quality and better quality eggs shall be stated in the grade name. The balance may be B Quality except for permitted tolerances, per 30 dozen of eggs, of which 42 eggs (11.7 percent) may be C Quality, Stained, Dirties, or Checks in any combination, and 8 eggs (2.2 percent) may be Loss. For the period beginning on August 15 of any year and extending through January 31 of the next year, the permitted tolerance for Loss with respect to "refrigerator eggs" is 12 eggs (3.3 percent).

(c) "U. S. Stained Extras _____% A Quality" shall consist of eggs that are Stained but otherwise meet the requirements specified in paragraph (b) of this section for "U. S. Extras _____% A Quality"; and the actual total percentage of A Quality and better quality eggs shall be stated in the grade name.

(d) "U. S. Standards _____% B Quality" shall consist of eggs of which at least 20 percent are not less than B Quality; and the actual total percentage of B Quality and better quality eggs shall be stated in the grade name. The balance may be C Quality and Stained except for permitted tolerances, per 30 dozen of eggs, of which 42 eggs (11.7 percent) may be Dirties or Checks in any combination, and 10 eggs (2.8 percent) may be Loss. In the aforesaid balance the number of Stained eggs shall not exceed 40 percent, by count, of the total number of eggs in the lot. For the period beginning on August 15 of any year and extending through January 31 of the next year, the permitted tolerance for Loss with respect to "refrigerator eggs" is 15 eggs (4.2 percent).

(e) "U. S. Stained Standards _____% B Quality" shall consist of eggs that are Stained but otherwise meet the requirements specified in paragraph (d) of this section for "U. S. Standards _____% B Quality"; and the actual total percentage of B Quality and better quality eggs shall be stated in the grade name.

(f) "U. S. Grades _____% C Quality" shall consist of eggs of which at least 83.3 percent are not less than C Quality eggs which may be Stained; and the actual total percentage of C Quality, Stained, and better quality eggs shall be stated in the grade name. The permitted tolerances, per 30 dozen of eggs, are 42 eggs (11.7 percent) which may be Dirties or Checks in any combination, and 18 eggs (5 percent) which may be Loss.

(g) "U. S. Dirties" shall consist of eggs that are Dirty and contain, per 30 dozen of eggs, not more than 42 eggs (11.7 percent) which are Checks, and 18 eggs (5 percent) which may be Loss.

(h) "U. S. Checks" shall consist of eggs that are Checks and contain, per 30 dozen of eggs, not more than 18 eggs (5 percent) that are Loss.

(i) "No grade" means eggs of possible edible quality that fail to meet the requirements of an official U. S. Grade or that have been contaminated by smoke, chemicals, or other foreign material that has seriously affected the character, appearance, or flavor of the eggs.

§ 42.52 *Summary of grades.* A summary of the United States Wholesale Grades for Shell Eggs follows as Table I of this section:

TABLE I—SUMMARY OF UNITED STATES WHOLESALE GRADES FOR SHELL EGGS

Wholesale grade designation	Minimum percentage of eggs of specific qualities required [1]				Tolerances in terms of maximum number and percentage of eggs, for each 30 dozen of eggs									
	AA Quality	A Quality or better	B Quality or better	C Quality, Stained, or better	B Quality, C Quality, Stained, Dirties, and Checks		C Quality, Stained, Dirties, and Checks		Dirties and Checks		Checks		Loss	
					Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
U. S. Specials ..... % AA Quality [2]	20	Balance	None permitted except for tolerances.		27	7.5							6	1.7
U. S. Extras ..... % A Quality [2]		20	Balance	None permitted except for tolerances.			42	11.7					8	[3] 2.2
U. S. Stained Extras ..... % A Quality [2]	Eggs that are Stained but otherwise meet the requirements for U. S. Extras ....% A Quality, as stated above.													
U. S. Standards ....% B Quality [2]			20	Balance [4]					42	11.7			10	[3] 2.8
U. S. Stained Standards ....% B Quality [2]	Eggs that are Stained but otherwise meet the requirements for U. S. Standards ....% B Quality, as stated above.													
U. S. Trades ....% C Quality [2]				83.3					42	11.7			18	5
U. S. Dirties											42	11.7	18	5
U. S. Checks													18	5

[1] Substitution of eggs possessing higher qualities for those possessing lower specified qualities is permitted.
[2] The actual total percentage must be stated in the grade name.
[3] For the period beginning on Aug. 15 of one year and extending through Jan. 31 of the next year, the permitted tolerance for loss with respect to "refrigerator eggs" is 12 eggs (3.3 percent) and 15 eggs (4.2 percent) for U. S. Extras ....% A Quality and U. S. Standards ....% B Quality, respectively.
[4] Of this balance the number of Stained eggs shall not exceed 40 percent of the total number of eggs in the lot.

§ 42.53 *Weight classes.* The weight classes for the United States Wholesale Grades for Shell Eggs shall be as indicated in Table II of this section and, subject to the stated tolerance of 10 percent, shall apply to all wholesale grades except U. S. Dirties and U. S. Checks. There are no weight classes for U. S. Dirties or U. S. Checks.

TABLE II—WEIGHT CLASSES FOR UNITED STATES WHOLESALE GRADES FOR SHELL EGGS

Weight classes	Per 30 dozen eggs		Weights for individual eggs at rate per dozen	
	Average net weight on a lot [1] basis	Minimum net weight individual case [2] basis	Minimum weight	Weight variation tolerance for not more than 10 percent, by count, of individual eggs
	At least—			
Extra Large	50½ pounds	50 pounds	26 ounces	Under 26 but not under 24 ounces.
Large	45 pounds	44 pounds	23 ounces	Under 23 but not under 21 ounces.
Medium	39½ pounds	39 pounds	20 ounces	Under 20 but not under 18 ounces.
Small	34 pounds	None	None	None.

[1] Lot means any quantity of 30 dozen or more eggs.
[2] Case means standard 30 dozen egg case as used in commercial practice in the United States.

§ 42.54 *Weight tolerances.* The minimum weights, listed in Table II of § 42.53, for individual eggs are at the rate per dozen and are subject to a weight variation tolerance of 10 percent, by count, for individual eggs as stated in Table II.

Done at Washington, D. C., this 6th day of June 1952.

[SEAL] GEORGE A. DICE,
Acting Assistant Administrator, Production and Marketing Administration.

[F. R. Doc. 52-6396; Filed, June 10, 1952; 8:45 a. m.]

Chapter VII—Production and Marketing Administration (Agricultural Adjustment), Department of Agriculture

PART 707—FARM LAND RESTORATION PROGRAM

SUBPART—1953

The purpose of the 1953 Farm Land Restoration Program is to extend to farmers assistance for conservation and land restoration measures needed in rehabilitating and restoring to productive use farm lands which have been damaged by excessive rains, runoff, and floodwaters in areas designated by the Secretary of Agriculture as disaster areas under Public Law 38, approved April 6, 1949.

Assistance will be given to producers in accordance with the provisions contained in this subpart and such modifications thereof as may hereafter be made.

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707.201 State funds.
707.202 Control of funds.
707.203 Basis for approval of restoration practices.

RESTORATION PRACTICES AND RATES OF ASSISTANCE

707.204 Eligible restoration practices.
707.205 Rates of assistance.
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707.207 Practices carried out with State or Federal aid.
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RESTORATION MATERIALS AND SERVICES

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707.245 Appeals.

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707.246 State handbooks, bulletins, instructions, and forms.

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707.250 Definitions.

AUTHORITY, AVAILABILITY OF FUNDS, AND APPLICABILITY

707.251 Authority.
707.252 Availability of funds.
707.253 Applicability.

AUTHORITY: §§ 707.201 to 707.253 issued under sec. 4, 49 Stat. 164; 16 U. S. C. 590d. Interpret or apply secs. 7-17, 49 Stat. 1148, as amended; Pub. Law 371, 82d Cong.; 16 U. S. C. 590g-590q.

DISTRIBUTION AND CONTROL OF FUNDS

§ 707.201 *State funds.* Funds available for restoration practices will be distributed among States on the basis of the estimated conservation needs resulting from excessive rains, runoff, and floodwaters.

§ 707.202 *Control of funds.* The State committee will allocate the funds available for restoration practices among the counties in the designated disaster areas within the State on the basis of the restoration needs of each in relation to

the restoration needs of other counties in the disaster areas in the State. The county committee, in accordance with the method approved by the State committee, will determine the amount of assistance to be made available to each farm, taking into consideration the county allocation and the restoration needs of the county and of the individual farms.

§ 707.203 *Basis for approval of restoration practices.* Practices to be approved will include only those needed to rehabilitate and restore land to productive use as farm land.

RESTORATION PRACTICES AND RATES OF ASSISTANCE

§ 707.204 *Eligible restoration practices.* Assistance will be given to producers in carrying out the following restoration practices on farm land. Only those practices recommended by the county committee and approved by the State committee will be eligible for assistance within a county. Only those practices which are approved for a farm by the county committee on or before December 31, 1953, and which are carried out during the period May 15, 1952, through December 31, 1953, will be eligible for assistance on the farm. The practices must be carried out in accordance with good conservation farming. The Soil Conservation Service will be responsible for determining the need for and practicability of practices of paragraphs (b), (c), (d), (e), (i), (j), (k), and (l) of this section, as well as reporting on performance. For practices of paragraphs (b, (i), (j), and (l) of this section, construction designs, onsite layout and field supervision will be arranged for by Soil Conservation Service.

(a) Clearing debris.

(b) Emergency ditchings.

(c) Cleaning out, repairing, or replacing drainage systems.

(d) Leveling land by filling holes or gullies caused by floodwaters.

(e) Turning under sand deposits by deep plowing.

(f) Repairing or replacing fences necessary for proper land use.

(g) Planting or replanting pastures and hay crops.

(h) Planting cover crops or emergency forage crops.

(i) Replacing or repairing erosion control structures.

(j) Rehabilitation of stock water ponds and other stock water facilities.

(k) Special tillage of silted and waterlogged land.

(l) Rehabilitation of farm irrigation systems, including land leveling, dams, and reservoirs, but excluding motors and pumps.

§ 707.205 *Rates of assistance.* The rate of assistance for each restoration practice will be that recommended by the county committee and approved by the State committee, but not in excess of 80 percent of the average cost of performing the practice. The average cost of performing the practice may be the average cost for a State, a county, a part of a county, or a farm, as determined by the State committee.

§ 707.206 *Prior approval.* Prior approval of the county committee is required for all restoration practices for which assistance is obtained under this program, except that retroactive approval may be given for practices started by August 1, 1952.

§ 707.207 *Practices carried out with State or Federal aid.* The assistance for any practice shall not be reduced because it is carried out with materials or services furnished by the Agricultural Conservation Programs Branch (referred to in this subpart as the ACP Branch) under this program or by any agency of a State to another agency of the same State, or with technical advisory services furnished by a State or Federal agency. In other cases of State or Federal aid, the total assistance for any practice performed shall be reduced for purposes of payment by the value of the aid, as determined by the county committee. Materials or services furnished or used by a State or Federal agency for the performance of practices on its land shall not be regarded as State or Federal aid for the purposes of this section.

§ 707.208 *Pooling agreements.* Producers in any local area may agree in writing, with the approval of the county and State committees, to perform designated amounts of practices which the State committee determines are necessary to restore the agricultural resources of the community. For purposes of payment, practices carried out under such an approved written agreement will be regarded as having been carried out on the farms of the producers who performed the practices.

§ 707.209 *Compliance with regulatory measures.* Producers who carry out restoration practices for assistance under this program shall be responsible for obtaining the authorities, rights, easements, or other approvals necessary to the performance and maintenance of the practices in keeping with applicable laws and regulations. The producer who receives assistance for the practices shall be responsible to the Federal Government for any losses it may sustain because the producer infringes on the rights of others, or fails to comply with applicable laws.

PAYMENTS

§ 707.215 *Division of restoration payments.* The payment earned in carrying out practices with restoration materials or services shall be credited to the producer to whom the materials or services are furnished. Payment for practices performed with restoration materials and services shall have priority over payment for other practices. The payment earned in carrying out other practices shall be paid to the producer who carried out the practices. If more than one producer contributed to the carrying out of such practices, the payment shall be divided in the proportion that the county committee determines the producers contributed to the carrying out of the practices. In making this determination, the county committee shall take into consideration the value of the labor, equipment, or material contributed by each producer toward the carrying out of each practice on a particular acreage, assuming that each contributed equally, unless it is established to the satisfaction of the county committee that their respective contributions thereto were not in equal proportion. The furnishing of land will not be considered as a contribution to the carrying out of any practice.

§ 707.216 *Death, incompetency, or disappearance of producer.* In case of death, incompetency, or disappearance of any producer, his share of the payment shall be paid to his successor, determined in accordance with the provisions of Part 716 of this chapter (ACP-122).

§ 707.217 *Payments limited to $2,500.* (a) The total of all payments made in connection with the 1953 Farm Land Restoration Program to any person shall not exceed the sum of $2,500, except that with the written prior approval of the State committee, assistance may be authorized in a total amount not to exceed $10,000 in individual cases where the State committee finds that the approval of such amount of assistance is equitable considering the damage to the farm land involved and the approvals made for comparable damage on other farms.

(b) All or any part of any payment which has been or otherwise would be made to any person under this program may be withheld, or required to be refunded, if he has adopted, or participated in adopting, any scheme or device, including the dissolution, reorganization, revival, formation, or use of any corporation, partnership, estate, trust, or any other means, designed to evade, or which has the effect of evading, the provisions of this section.

RESTORATION MATERIALS AND SERVICES

§ 707.220 *Availability.* (a) Liming materials, phosphates, seeds, and other farming materials or services may be furnished by the ACP Branch to producers for carrying out approved practices. Materials or services may not be furnished to producers who are on the register of indebtedness, except in those cases where the agency to which the debt is owed notifies the ACP Branch that it temporarily waives its rights to set-off in order to permit the furnishing of materials and services.

(b) Title to any material distributed by the ACP Branch, either directly or through purchase orders, shall vest in the ACP Branch until the material is applied or planted, or all charges for the materials are satisfied.

§ 707.221 *Cost to producer in cash.* The producer shall pay that part of the cost of the material or service, as established by the ACP Branch, which is in excess of the credit for the use of the material or service in carrying out approved practices.

§ 707.222 *Deduction.* (a) A deduction shall be made for materials or services furnished by the ACP Branch from the payment of the producer to whom materials or services are furnished. The deduction shall be the credit value of the materials and services furnished,

except that where the cost to the ACP Branch is less than the credit rate, the deduction shall be equal to the cost. If the producer misuses any material or service furnished, an additional deduction equal to the original amount of the deduction for the material or service misused shall be made.

(b) Materials or services will be considered as misused, for the purpose of this section, in the following instances:

(1) Where the county committee determines that any restoration material has been applied to crops which are not designated as eligible crops by the county and State committees, unless failure to properly use the material was due to conditions beyond the producer's control.

(2) Where the county committee determines that a structure, such as a terrace or dam, has been willfully or negligently destroyed by a producer in the program year in which the structure was completed.

(3) Where the county committee determines that material has been willfully or negligently destroyed, or has been rendered unusable, by the producer.

(4) Where the county committee determines that, with respect to seed furnished in connection with a crop, the crop is harvested for grain or hay, or is too heavily grazed, and such uses are prohibited by the practice specifications.

(5) Where the county committee determines that a producer has disposed of material by sale, barter, or some other unauthorized means.

(6) Where the county committee is unable to determine the use or disposition of material because of the failure of a producer to furnish requested information by the closing date designated by the ACP Branch for filing performance reports. However, if the requested information is filed at a later date and the material was properly used, the material will not be considered as misused.

(c) If the deduction for the materials or services exceeds the payment for the producer to whom the materials or services are furnished, the amount of the difference shall be paid by the producer to the Treasurer of the United States.

(d) Any producer to whom materials are furnished shall be responsible to the ACP Branch for any damage to the materials, unless he shows that the damage was caused by circumstances beyond his control. If materials are abandoned or not used during the program year, they may, at the option of the ACP Branch, be transferred to another producer or otherwise disposed of by the ACP Branch at the expense of the producer who abandoned or failed to use the material.

(e) Notwithstanding other provisions of this section and § 707.220 (b), in cases where the county committee, in accordance with standards approved by the State committee, determines (1) that due to reasons beyond his control, the producer to whom materials were furnished cannot use them to carry out the practice for which the materials were furnished, (2) that the materials cannot be used effectively by the producer to carry out other approved restoration measures on the farm before there is a likelihood of deterioration of the materials, and (3) that it is impracticable to repossess the materials or transfer the materials to another producer, title to the material may be transferred to the producer upon payment to the Treasurer of the United States of an amount equal to the deduction determined under the provisions of this section.

GENERAL PROVISIONS RELATING TO PAYMENTS

§ 707.230 *Payments.* Payment will not be made under this program for any practice, or part thereof, for which payment is made under the 1952 Agricultural Conservation Program, the 1952 Farm Land Restoration Program, or the 1953 Agricultural Conservation Program with respect to the same acreage or location. However, payment may be made under this program for the restoration of a practice for which payment was made under the 1952 Agricultural Conservation Program or under a previous Agricultural Conservation Program or the 1951 or 1952 Farm Land Restoration Program and which has been damaged or destroyed by excessive rains, runoff, and floodwaters.

§ 707.231 *Practices defeating purposes of program.* If the State committee finds that any person has adopted or participated in any practice which tends to defeat the purpose of this program, it may withhold, or require to be refunded, all or any part of any payment which has been or would be computed for such person.

§ 707.232 *Depriving others of payments.* If the State committee finds that any person has employed any scheme or device (including coercion, fraud, or misrepresentation), the effect of which would be or has been to deprive any other person of any payment under the program, it may withhold, in whole or in part, from the person participating in or employing such a scheme or device, or require him to refund in whole or in part, the amount of any payment which has been or would otherwise be made to him in connection with the program.

§ 707.233 *Filing of false claims.* If the State committee finds that any person has knowingly filed claim for payment under the program for practices not carried out, or for practices carried out in such a manner that they do not meet the required specifications therefor, such person shall not be eligible to receive any payment under the program and shall refund all payments that may have been made to him under the program. The withholding or refunding of payments will be in addition to and not in substitution of any other penalty or liability which might otherwise be imposed.

§ 707.234 *Misuse of purchase orders.* If the State committee finds that any person has knowingly used a purchase order issued to him for restoration materials or services for a purpose other than that for which it was issued, and that such misuse of the purchase order tends to defeat the purpose for which it was issued, such person shall not be eligible to receive any payment under the program and shall refund all payments that may have been made to him under the program. The withholding or refunding of payments will be in addition to and not in substitution of any other penalty or liability which might otherwise be imposed.

§ 707.235 *Payment computed and made without regard to claims.* Any payment or share of payment shall be computed and made without regard to questions of title under State law; without deduction of claims for advances (except as provided in § 707.236, and except for indebtedness to the United States subject to set-off under orders issued by the Secretary (Part 718 of this chapter)); and without regard to any claim or lien against any crop, or proceeds thereof, in favor of the owner or any other creditor.

§ 707.236 *Assignments.* Any person who may be entitled to any payment in connection with the program may assign his payment, in whole or in part, as security cash loaned or advances made for the purpose of financing the making of a crop in 1952 or 1953. No assignment will be recognized unless it is made in writing on Form ACP–69 and in accordance with the instructions in ACP–70.

APPLICATION FOR ASSISTANCE

§ 707.240 *Persons eligible to file application.* An application for payment with respect to a farm may be made by any producer who is entitled to share in the payment determined for the farm.

§ 707.241 *Time and manner of filing application and information required.* Payment will be made only upon application submitted on the prescribed form to the county office. Payment may be withheld from any person who fails to file any form or furnish any information required with respect to any farm which such person is operating or renting to another. Any application for payment may be rejected if any form or information required of the applicant is not submitted to the county office within the time fixed by the Director, ACP Branch, which time shall be not later than June 30, 1954. At least 2 weeks' notice to the public shall be given of the expiration of a time limit for filing prescribed forms or required information, and any time limit fixed shall afford a full and fair opportunity to those eligible to file the form or information within the period prescribed. Such notice shall be given by mailing notice to the office of each county committee and making copies available to the press.

APPEALS

§ 707.245 *Appeals.* Any producer may, within 15 days after notice thereof is forwarded to or made available to him, request the county committee in writing to reconsider its recommendation or determination in any matter affecting the right to or the amount of his payment with respect to the farm. The county committee shall notify him of its decision in writing within 15 days after receipt of written request for reconsideration. If the producer is dissatisfied with the decision of the county committee he may, within 15 days after the

decision is forwarded to or made available to him, appeal in writing to the State committee. The State committee shall notify him of its decision in writing within 30 days after the submission of the appeal. If he is dissatisfied with the decision of the State committee, he may, within 15 days after its decision is forwarded to or made available to him, request the Director, ACP Branch, to review the decision of the State committee. Written notice of any decision rendered under this section by the county or State committee shall also be issued to each other producer on the farm who may be adversely affected by the decision.

STATE HANDBOOKS, BULLETINS, INSTRUCTIONS, AND FORMS

§ 707.246 *State handbooks, bulletins, instructions, and forms.* The ACP Branch is authorized to make determinations and to prepare and issue State handbooks, bulletins, instructions, and forms required in administering this program. Copies of State handbooks, bulletins, instructions, and forms containing detailed information with respect to this program as it applies to specific States, counties, areas, and farms will be available in the office of the State committee (11 F. R. 177A-285) and the office of the county committee. Producers wishing to participate in the program should obtain from the State committee or county committee all information needed in order to comply with all provisions of the program.

DEFINITIONS

§ 707.250 *Definitions.* For the purposes of this program:

(a) "Secretary" means the Secretary of Agriculture of the United States.

(b) "Director" means the Director of the Agricultural Conservation Programs Branch, Production and Marketing Administration.

(c) "State" means any one of the continental United States.

(d) "State committee" means the group of persons designated within any State to assist in the administration of the Agricultural Conservation Program in that State.

(e) "County committee" means the group of persons elected within any county to assist in the administration of the Agricultural Conservation Program in that county.

(f) "Person" means an individual, partnership, association, corporation, estate, or trust, or other business enterprise or other legal entity, and, wherever applicable, a State, a political subdivision of a State, or any agency thereof.

(g) "Producer" means any person who, as landlord, tenant, or sharecropper, participates in the operation of a farm.

(h) "Farm" means all adjacent or nearby farm or range land under the same ownership which is operated by one person, including also (1) any other adjacent or nearby farm or range land which the county committee, in accordance with instructions issued by the ACP Branch, determines is operated by the same person as part of the same unit in producing range livestock or with respect to the rotation of crops, and with work stock, farm machinery, and labor substantially separate from that for any other land; and (2) any field-rented tract (whether operated by the same or another person) which, together with any other land included in the farm, constitutes a unit with respect to the rotation of crops. A farm shall be regarded as located in the county in which the principal dwelling is situated or, if there is no dwelling thereon, it shall be regarded as located in the county in which the major portion of the farm is located.

(i) "Cropland" means farm land which in 1951 was tilled or was in regular crop rotation, excluding (1) bearing orchards and vineyards (except the acreage of cropland therein), (2) plowable noncrop open pasture, and (3) any land which constitutes or will constitute, if tillage is continued, a wind-erosion hazard to the community.

(j) "Program year" means the period May 15, 1952, through December 31, 1953.

AUTHORITY, AVAILABILITY OF FUNDS, AND APPLICABILITY

§ 707.251 *Authority.* The program is approved pursuant to the authority vested in the Secretary of Agriculture under sections 7-17 of the Soil Conservation and Domestic Allotment Act, as amended (49 Stat. 1148; 16 U. S. C. 590g-590q).

§ 707.252 *Availability of funds.* (a) The provisions of this program are necesssarily subject to such legislation as the Congress of the United States may hereafter enact and the amounts of payments will necessarily be within the limits of the funds appropriated.

(b) The funds provided for this program will not be available for the payment of applications filed in the county office after June 30, 1954.

§ 707.253 *Applicability.* (a) The provisions of this program are applicable in counties designated by the Director.

(b) The provisions of this program are not applicable to (1) any department or bureau of the United States Government or any corporation wholly owned by the United States; (2) grazing lands owned by the United States which were acquired or reserved for conservation purposes, or which are to be retained permanently under Government ownership, including but not limited to grazing lands administered by the Forest Service or the Soil Conservation Service of the United States Department of Agriculture, or by the Bureau of Land Management (including lands administered under the Taylor Grazing Act) or the Fish and Wildlife Service of the United States Department of the Interior; and (3) nonprivate persons for performance on any land owned by the United States or a corporation wholly owned by it.

(c) The program is applicable to (1) privately owned lands; (2) lands owned by a State or political subdivision or agency thereof; (3) lands owned by corporations which are partly owned by the United States, such as production credit associations; (4) lands temporarily owned by the United States or a corporation wholly owned by it, which were not acquired or reserved for conservation purposes, including lands administered by the Farmers Home Administration, the Reconstruction Finance Corporation, the Federal Farm Mortgage Corporation, the United States Department of Defense, or by any other Government agency designated by the ACP Branch; (5) any cropland farmed by private persons which is owned by the United States or a corporation wholly owned by it; and (6) Indian lands, except that where grazing operations are carried out on Indian lands administered by the Department of the Interior, such lands are within the scope of the program only if covered by a written agreement approved by the Department of the Interior giving the operator an interest in the grazing and forage growing on the land and a right to occupy the land in order to carry out the grazing operations.

Done at Washington, D. C., this 6th day of June 1952.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 52-6391; Filed, June 10, 1952; 8:52 a. m.]

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

[Docket No. AO-160-A-13]

PART 961—MILK IN THE PHILADELPHIA, PA., MARKETING AREA

ORDER AMENDING THE ORDER

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AUTHORITY: §§ 961.1 to 961.102 issued under sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c.

§ 961.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Philadelphia, Pennsylvania, February 25–28, 1952, upon a proposed amendment to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Philadelphia, Pennsylvania, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions of said order, as amended, and as hereby further amended, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk produced for sale in the said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply of and demand for such milk, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is hereby found and determined that good cause exists for making effective not later than June 11, 1952, this order amending the said order, as amended. This action is necessary in the public interest in order to reflect current marketing conditions. Accordingly, any further delay in the effective date of this order, amending the said order, as amended, will seriously impair orderly marketing of milk in the Philadelphia, Pennsylvania, marketing area. The provisions of the said amendatory order are well known to handlers—the public hearing have been held February 25–28, 1952, the recommended decision having been issued by the Acting Assistant Administrator on May 7, 1952, and the final decision by the Secretary on May 27, 1952. Reasonable time under the circumstances has been afforded persons affected to prepare for its effective date. Therefore, it would be impracticable, unnecessary, and contrary to the public interest to delay the effective date of this amendatory order 30 days after its publication in the FEDERAL REGISTER (see section 4 (c) Administrative Procedure Act, Pub. Law 404, 79th Cong., 60 Stat. 237).

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping milk covered by this order, amending the order, as amended, which is marketed within the Philadelphia, Pennsylvania, marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of this order amending the order, as amended, is the only practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order, as amended, is approved or favored by at least two-thirds of the producers who, during the determined representative period (February 1952), were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof the handling of milk in the Philadelphia, Pennsylvania, marketing area shall be in conformity to and in compliance with the following terms and conditions:

DEFINITIONS

§ 961.1 *Act.* The term "act" means Public Act No. 10, 73d Congress, as amended and as re-enacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended.

§ 961.2 *Secretary.* The term "Secretary" means the Secretary of Agriculture, or any officer or employee of the United States who is, or who may hereafter be authorized to exercise the powers and to perform the duties of the Secretary of Agriculture.

§ 961.3 *Philadelphia, Pennsylvania, milk marketing area.* The term "Philadelphia, Pennsylvania, milk marketing area," hereinafter called "the marketing area," means all the territory in the Commonwealth of Pennsylvania situated within the following boundary line: Beginning at a point in the Pennsylvania State line opposite the confluence of Pennypack Creek with the Delaware River, thence along Pennypack Creek to the boundary of Montgomery County; thence northerly along the boundary of Montgomery County to the Bucks County line; thence westerly along the Bucks County line to the Trenton cut-off of the Pennsylvania Railroad; thence westerly along said railroad to the Upper Dublin Township line; thence first easterly, and then southerly along the Upper Dublin Township line, thence northeasterly to the Whitemarsh Township; thence southerly along the Whitemarsh Township line to the Schuylkill River; thence westerly along the Schuylkill River to West Conshohocken Borough; thence westerly along the southern border of West Conshohocken Borough, to the Upper Merion Township line; thence along the Upper Merion Township line as it runs to the Delaware County line; thence southeasterly along the Delaware County line as it runs to and along Brandywine Creek and the Delaware State line to the Delaware River; thence northeasterly along the Pennsylvania State line to the Delaware River to the point of beginning.

§ 961.4 *Person.* The term "person" includes any individual, partnership, corporation, association, or any other busines unit.

§ 961.5 *Producer.* The term "producer" means any person, irrespective of whether such person is also a handler, who produces milk which is received directly at a producer milk plant.

§ 961.6 *Producer milk plant.* The term "producer milk plant" means:

(a) A plant listed below:

Operator and Location

Abbotts Dairies, Inc., Belleville, Pa.
Abbotts Dairies, Inc., Curryville, Pa.
Abbotts Dairies, Inc., Easton, Md.
Abbotts Dairies, Inc., Oxford, Pa.
Abbotts Dairies, Inc., Port Allegany, Pa.
Cookiyn Milk Co., Goldsboro, Md.
Dairymen's League Cooperative Association, Spring Creek, Pa.
Delta Farms Products Co., Delta, Pa.
Harbisons Dairies, Inc., Brandtsville, Pa.
Harbisons Dairies, Inc., Byers, Pa.
Harbisons Dairies, Inc., Carlisle, Pa.

Harbisons Dairies, Inc., Hurlock, Md.
Harbisons Dairies, Inc., Massey, Md.
Harbisons Dairies, Inc., Millville, Pa.
Harbisons Dairies, Inc., Sudlersville, Pa.
Hernig, Peter, Sons, Inc., Boiling Springs, Pa.
Philadelphia Dairy Products Co., Inc., Benton, Pa.
Philadelphia Dairy Products Co., Inc., Clayton, Del.
Philadelphia Dairy Products Co., Inc., Pottstown, Pa.
Philadelphia Dairy Products Co., Inc., Snow Hill, Md.
Philadelphia Dairy Products Co., Inc., York Springs, Pa.
Shearer, Paul B., & Co., Centerport, Pa.
Supplee-Wills-Jones Milk Co., Bedford, Pa.
Supplee-Wills-Jones Milk Co., Chambersburg, Pa.
Supplee-Wills-Jones Milk Co., Hagerstown, Md.
Supplee-Wills-Jones Milk Co., Harrington, Del.
Supplee-Wills-Jones Milk Co., Huntingdon, Pa.
Supplee-Wills-Jones Milk Co., Leaman Place, Pa.
Supplee-Wills-Jones Milk Co., Lewistown, Pa.
Supplee-Wills-Jones Milk Co., Mercersburg, Pa.
Supplee-Wills-Jones-Milk Co., Princess Anne, Md.
Supplee-Wills-Jones Milk Co., Townsend, Del.
Supplee-Wills-Jones Milk Co., Worton, Md.
Turner & Wescott, Glenroy, Pa.

which is operated by a handler except (1) during such period of time as any such plant has been stopped by the Pennsylvania Department of Health from shipping milk or cream for consumption as fluid milk or fluid cream, or (2) during any month when no milk or cream is disposed of in the marketing area from such plant either directly or by movement through another plant or plants, if the handler has notified the market administrator 5 days or more prior to such month that it is no longer a part of his supply for the marketing area and if no milk or cream has been shipped from it to the marketing area for the 3 months next preceding such month; or

(b) A pasteurizing or bottling plant from which milk is disposed of as Class I milk in the marketing area to persons other than handlers; or

(c) Any other plant from which milk is supplied to a pasteurizing or bottling plant described in paragraph (b) of this section: *Provided*, That any such other plant shall not be included in this definition during any month in which there is shipped from the plant only Class II milk as defined in § 961.31 or during any of the months of October, November, December, and January, in which shipments are made from the plant on less than 20 days, or during any other month in which shipments are made from the plant on less than 5 days, to such pasteurizing and bottling plant or to a plant or plants supplying such pasteurizing or bottling plant.

This definition shall not include a plant at which a uniform price is required to be paid producers under the provisions of another marketing order of the Secretary.

§ 961.7 Nonproducer milk plant. The term "nonproducer milk plant" means any plant other than those described under § 961.6.

§ 961.8 *Handler.* The term "handler" means any person, irrespective of whether such person is also a producer or an association of producers, wherever located or operating, who engages in the handling of milk which is disposed of in the marketing area as milk, or skim milk.

§ 961.9 *Market administrator.* The term "market administrator" means the person designated pursuant to § 961.20 as the agency for the administration of this subpart.

MARKET ADMINISTRATOR

§ 961.20 *Designation.* The agency for the administration of this subpart shall be a market administrator, who shall be a person selected by the Secretary. Such person shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of the Secretary.

§ 961.21 *Powers.* The market administrator shall have power:

(a) To administer the terms and provisions of this subpart; and

(b) To receive, investigate, and report to the Secretary complaints of violations of the terms and provisions of this subpart.

§ 961.22 *Duties.* The market administrator shall:

(a) Keep such books and records as will clearly reflect the transactions provided for in this subpart and shall surrender the same to his successor or to such other person as the Secretary may designate;

(b) Submit his books and records to examination by the Secretary at any and all times;

(c) Furnish such information and verified reports as the Secretary may request;

(d) Within 45 days following the date upon which he enters upon his duties, execute and deliver to the Secretary a bond, conditioned upon the faithful performance of his duties, in an amount and with surety thereon satisfactory to the Secretary;

(e) Publicly disclose to handlers and to producers, unless otherwise directed by the Secretary, the name of any person who, within 15 days after the date upon which he is required to perform such acts, has not (1) made reports pursuant to § 961.51, or (2) made payments pursuant to §§ 961.80 through 961.85;

(f) Employ and fix the compensation of such persons as may be necessary to enable him to administer the terms and provisions of this subpart;

(g) Obtain a bond with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(h) Pay, out of the funds provided by § 961.90, (1) the cost of his bond and of the bonds of such of his employees as handle funds entrusted to the market administrator, (2) his own compensation, and (3) all other expenses which will necessarily be incurred by him for the maintenance and functioning of his office and the performance of his duties; and

(i) Promptly verify the information contained in the reports submitted by handlers.

CLASSIFICATION OF MILK

§ 961.30 *Basis of classification.* Milk received by each handler, including milk produced by him, if any, shall be classified, in the classes set forth in § 961.31, in accordance with its utilization by such handler, subject to §§ 961.32 through 961.35.

§ 961.31 *Classes of utilization.* The classes of utilization of milk shall be as follows:

(a) Class I milk shall be all milk (1) sold, distributed, or disposed of as or in milk, skim milk and flavored milk drinks for fluid consumption containing less than 18 percent butterfat, including concentrated milk not sterilized and not in hermetically sealed cans, and including all milk or skim milk disposed of from a handler's plant to retail establishments which dispose of milk for both fluid and other uses, and (2) all other milk not accounted for as Class II; and

(b) Class II milk shall be (1) all milk disposed of in products other than those included in paragraph (a) of this section, (2) milk dumped or disposed of for animal feed, and (3) all milk accounted for as actual plant shrinkage but not to exceed 2 percent of the total pounds of milk, skim milk, and cream received by a handler at all of his producer milk plants.

§ 961.32 *Transfers of milk.* Milk and skim milk containing less than 18 percent butterfat, transferred from a producer milk plant to another handler's producer milk plant or to a nonproducer milk plant, shall be allocated to Class I unless such milk or skim milk was disposed of under a written agreement submitted to the market administrator or by proof of use if the transfer is from a handler's producer plant to the same handler's nonproducer milk plant that such milk or skim milk be allocated to Class II and the receiving handler or nonproducer milk plant has used in Class II products a quantity of milk or skim milk equivalent to the milk or skim milk received during the month from producer milk plants under an agreement for classification in Class II.

§ 961.33 *Transfers of cream.* Cream containing 18 percent or more butterfat, received by a handler from a nonproducer plant, shall be considered Class II up to the amount of Class II disposed of by the handler and cream containing 18 percent or more butterfat disposed of by a handler to a nonproducer milk plant shall be considered Class II.

§ 961.34 *Allocation of milk or skim milk received at producer milk plants from nonproducer milk plants.* (a) During the months of October to January, inclusive, milk or skim milk received at a producer milk plant from a nonproducer milk plant shall be allocated by the receiving handler to each of the classes and price subdivisions of each class in the same proportion as milk received from producers at all of the producer milk plants of the receiving handler during the month, except that a greater proportion of such milk from

nonproducer plants may be allocated by the receiving handler to Class II and in the absence of an allocation by the handler reported to the market administrator such milk shall be allocated by the market administrator to Class II up to the amount of Class II utilized by the handler during the month.

(b) During the months February to September inclusive, milk or skim milk received at a producer milk plant from a nonproducer milk plant shall be allocated to Class I only if the receiving handler has allocated all of the milk received from producers at all of his producer milk plants to Class I during the month.

(c) The equivalent in milk or skim milk of dry milk, nonfat dry milk, condensed milk, and condensed skim milk utilized at a producer milk plant shall be allocated by the handler to Class II up to the amount of Class II utilized by him.

§ 961.35 *Allocation of milk or skim milk received by a handler from a producer-handler.* Milk or skim milk received in bulk by a handler from another handler who is also a producer and receives no milk from producers may be classified in Class I up to the same proportionate amount as such handler classifies in Class I milk received from producers who are not handlers.

MINIMUM PRICES

§ 961.40 *Class prices.* Except as set forth in § 961.43, each handler shall pay, at the time and in the manner set forth in §§ 961.80 through 961.85, for milk received during each month from producers or an association of producers not less than the following prices, subject to the differentials set forth in §§ 961.41 and 961.42:

(a) *Class I milk.* The market administrator shall compute and announce on the 15th day of each month (or on the next business day if the 15th is a holiday) from the latest available data the index values computed pursuant to subparagraphs (1) through (6) of this paragraph, the Class I price, and the utilization percentages computed pursuant to subparagraphs (7) and (8) of this paragraph.

(1) Compute an index of wholesale commodity prices by averaging the four latest weekly index figures of wholesale commodity prices published by the Bureau of Labor Statistics, United States Department of Labor, and convert the result to a 1936–1940 base period by dividing by .5108.

(2) Compute an index of prices paid by Pennsylvania farmers per hundredweight for 20 percent protein mixed dairy feed, using a 1936–1940 base period, by dividing by .01776 the monthly price for such feed published by the Pennsylvania Federal-State Crop Reporting Service.

(3) Compute an index of prices received by Pennsylvania farmers for farm products except dairy, in a 1936–1940 base period, by dividing the monthly index published by the Pennsylvania Federal-State Crop Reporting Service on a 1910–1914 base by 1.0915, and adjust the result for seasonal variation by dividing by the applicable figure indicated below for each month:

January, February, March	96
April, May, June	1.00
July, August, September	1.04
October, November, December	1.00

(4) Compute an index of prices paid for milk by 18 Midwest condenseries, using a 1936–40 base period, by dividing by 0.013945 the monthly average price paid by 18 Midwest condenseries as reported by the United States Department of Agriculture, and adjust the result for seasonal variation by dividing by the applicable figure indicated below for each month:

January	1.02	July	0.97
February	1.02	August	1.00
March	1.01	September	1.00
April	.99	October	1.00
May	.93	November	1.02
June	.96	December	1.03

(5) Compute an index of average daily pounds of Class I milk sold by all handlers during the previous month, except that milk which is moved to plants outside of New Jersey and Delaware from which no routes are operated in the marketing area, using a 1936–40 base period, by dividing the monthly figure by 16.640, and adjust the result for seasonal variation by dividing by the applicable figure indicated below for each month:

January	0.98	July	0.99
February	.99	August	.99
March	1.00	September	1.04
April	.99	October	1.05
May	.98	November	1.02
June	.98	December	.99

(6) Divide the sum of the indexes calculated in subparagraphs (1) through (5) of this paragraph by 5. This figure shall be the formula index, and shall determine the Class I price for each calender quarter in accordance with the following table, subject to the provisions of subparagraphs (7) and (8) of this paragraph. The price for each calendar quarter shall be determined by the index value calculated and announced in the month preceding the calendar quarter, in accordance with the bracket shown in the following table in which such index value is included, or if such index value is not within a bracket, the price for the calendar quarter shall be determined by the adjacent index bracket which is the same as or nearest to the bracket equivalent to the price in the previous quarter.

CLASS I PRICE SCHEDULE—CLASS I PRICE PER HUNDREDWEIGHT

Formula index	Jan., Feb., Mar., July, Aug., Sept.	April, May, June	Oct., Nov., Dec.
116.3–120.3	$3.44	$3.04	$3.84
120.1–128.1	3.64	3.24	4.04
131.9–135.9	3.84	3.44	4.24
139.6–143.6	4.04	3.64	4.44
147.4–151.4	4.24	3.84	4.64
155.2–159.2	4.44	4.04	4.84
163.0–167.0	4.64	4.24	5.04
170.8–174.8	4.84	4.44	5.24
178.5–182.5	5.04	4.64	5.44
186.3–190.3	5.24	4.84	5.64
194.1–198.1	5.44	5.04	5.84
201.9–205.9	5.64	5.24	6.04
209.7–213.7	5.84	5.44	6.24
217.5–221.5	6.04	5.64	6.44
225.3–229.2	6.24	5.84	6.64
233.0–237.0	6.44	6.04	6.84
240.8–244.8	6.64	6.24	7.04
248.6–252.6	6.84	6.44	7.24
256.4–260.4	7.04	6.64	7.44

If the formula index is more than 260.4, this table shall be extended at the same rate as in the three highest index brackets shown above.

(7) For any calendar quarter the Class I price shall be 40 cents more than the price prescribed in subparagraph (6) of this paragraph, if receipts of milk from producers during the 12-month period ending with the second preceding month, excluding receipts at plants which were not producer milk plants during 3 consecutive months, are less than 115 percent of total Class I sales by handlers in the same period; except that a price adjustment pursuant to this subdivision shall not exceed an amount which will result in a Class I price equal to the Class I price for the same quarter of the preceding year plus 80 cents.

(8) For any calendar quarter the Class I price shall be 40 cents less than the price prescribed in subparagraph (6) of this paragraph, if receipts of milk from producers during the 12-month period ending with the second preceding month, excluding receipts at plants which were not producer milk plants during 3 consecutive months, are more than 137 percent of total Class I sales by handlers in the same period; except that a price adjustment pursuant to this subdivision shall not exceed an amount which will result in a Class I price equal to the Class I price for the same quarter of the preceding year minus 80 cents.

(b) *Class II milk.* The price per hundredweight during each month shall be the sum of the values calculated as follows by the market administrator:

(1) *Butterfat.* Add all market quotations (using midpoint of any weekly range as one quotation) of prices for a 40-quart can of fresh sweet cream of bottling quality in the Philadelphia, Pennsylvania, market, reported for each week ending within the month by the United States Department of Agriculture (or such other Federal agency as is authorized to perform this price reporting function), divide by the number of quotations, divide by 33.48, multiply by 4 and subtract 26½ cents: *Provided,* That for butterfat established as used in butter, the price shall be 4 times 120 percent of the average of the daily wholesale selling prices for Grade A (92-score) butter at New York as reported by the United States Department of Agriculture for the month for which payment is to be made, less 19 cents, but in no event shall this butter value be greater than the butterfat value established otherwise by this subparagraph.

(2) *Skim milk.* Multiply by 7.5 the average of all the prices per pound quoted for nonfat dry milk solids under the designation "roller, other brands, human consumption, carlots, bags, or barrels" (using midpoint of any range as one quotation), as published for such month in the "Producers Price Current", and subtract 54 cents in the computation of prices for the months of April, May and June, and 44 cents in other months.

(3) During the months of April, May and June, 1952, in the case of milk used in the manufacture of evaporated milk, milk chocolate, cheese other than cottage cheese, and nonfat dry milk, subtract from the sum of the values computed

in subparagraph (1) and (2) of this paragraph any excess over the sum of the butterfat and skim milk values computed as follows:

Compute a butterfat value by adding to the average butter price per pound computed pursuant to subparagraph (1) of this paragraph 2 cents, multiply the sum by 1.22 and by 4, and deduct 19 cents; and compute a skim milk value by multiplying by 7.8 the weighted average (using the weight of 70 for roller process prices and a weight of 30 for spray process prices) of the prices per pound of roller process and spray process nonfat dry milk solids, for human consumption, in carlots, f. o. b. manufacturing plants in the Chicago area, as published by the United States Department of Agriculture for the period from the 26th day of the immediately preceding month through the 25th day of the current month, and subtract 54 cents.

§ 961.41 *Butterfat differential.* (a) The Class I price shall be subject to a butterfat differential of 5 cents for each one-tenth of 1 percent variation above or below 4.0 percent: *Provided*, That in case of Class I items containing less than 3.0 percent butterfat or more than 6.0 percent butterfat, the rate of differential prescribed in paragraph (b) of this section based on cream quotations shall apply.

(b) The Class II price shall be subject to a butterfat differential for each one-tenth of 1 percent variation above or below 4.0 percent, calculated as follows: divide the average of the cream quotations used calculating the Class II price by 334.8, and subtract 0.67 cents; or in the case of butterfat in Class II to which the "butter-value" is applicable, divide the butter value by 40; and in the case of milk used in the manufacture of evaporated milk, milk chocolate, cheese other than cottage cheese, and nonfat dry milk, during April, May and June 1952, divide the butterfat value computed pursuant to § 961.40 (b) (3) by 40.

§ 961.42 *Differentials for place of receipt of milk.* In the case of milk received from producers by any handler at plants 31 miles or more from the City Hall in Philadelphia, there shall be deducted from the prices set forth in § 961.40 the following amounts:

(a) *Class I milk.* At plants 31 to 40 miles from the City Hall in Philadelphia, 31 cents per hundredweight, and for plants within each additional 10 miles in excess of 40 miles, an additional 1 cent, provided the total amount does not exceed 64 cents per hundredweight.

(b) *Class II milk.* At plants 31 to 70 miles from the City Hall in Philadelphia, 5 cents per hundredweight, and for plants within each additional 70 miles an additional cent.

The distance of any plant from the City Hall in Philadelphia shall be that recognized by the Interstate Commerce Commission for rate-making purposes on highways over which the Highway Departments of the several States permit milk tank trucks to move, or if no such distance is recognized, the distance shall be that ascertained and announced by the market administrator.

§ 961.43 *Class I milk disposed of outside the marketing area.* The price to be paid by handlers for Class I milk disposed of outside the marketing area on any wholesale or retail routes from which no milk is disposed of in the marketing area on the same trip, in lieu of the price otherwise applicable pursuant to this section, shall be, as ascertained by the market administrator, such price as is being paid to farmers in the market where such milk was disposed of, for milk of equivalent use, less the applicable transportation allowance in such outside market, but in no case more than 64 cents: *Provided*, That Class I milk disposed of in markets where the market administrator is unable to determine such a price the Class I price plus or minus the applicable differentials specified in this order shall apply: *And provided further*, That in the case of Class I milk disposed of in an area where the handling of milk is regulated by another order of the Secretary the price effective under such other order shall apply, except that when disposed of in the New York metropolitan milk marketing area during the months of April through August 1952, the price for such milk shall be the Class II price pursuant to subparagraphs (1) (exclusive of the proviso) and (2) of § 961.40 (b).

REPORTS OF HANDLERS

§ 961.50 *Periodic reports.* On or before the 8th day after the end of each month each handler, with respect to milk, milk products or cream which was, during such month, (a) received from producers, handlers, or other sources; and (b) produced by such handler, shall report to the market administrator, in the detail and on forms prescribed by the market administrator, as follows:

(1) The receipts at each plant from producers who are not handlers;

(2) The receipts at each plant from any other handler, including any handler who is also a producer;

(3) The quantity, if any, produced by such handler;

(4) The receipts at each plant from any other source;

(5) The respective quantities of milk and milk products disposed of or on hand at each plant, with the butterfat content thereof; and

(6) The shipments of milk to the marketing area from each plant.

§ 961.51 *Reports of handlers who receive no milk from producers.* Handlers who receive no milk from producers shall make reports to the market administrator at such time and in such manner as the market administrator may require.

§ 961.52 *Reports as to producers.* Each handler shall report to the market administrator:

(a) Within 10 days after the market administrator's request, with respect to any producer for whom such information is not in the files of the market administrator, and with respect to a period or periods of time designated by the market administrator, (1) the name and address, (2) the total pounds of milk received, (3) the average butterfat test of milk received, and (4) the number of days upon which milk was received; and

(b) As soon as possible after first receiving milk from any producer, (1) the name and address of such producer, (2) the date upon which such milk was first received, and (3) the plant at which such milk was received.

§ 961.53 *Reports of payments to producers.* Each handler shall submit to the market administrator on or before the 25th day after the end of each month his producer pay roll for such month which shall show for each producer (a) the net amount of such producer's payment with the prices, deductions, and charges involved, and (b) the total delivery of milk with the average butterfat test thereof.

§ 961.54 *Outside cream purchases.* Each handler shall report as requested by the market administrator his purchases, if any, of sweet cream, showing the quantity and source of each such purchase and the cost thereof at Philadelphia.

§ 961.55 *Verification of reports.* Each handler shall permit the market administrator or his agent, or such other person as the Secretary may designate, during the usual hours of business, to (a) verify the information contained in reports submitted in accordance with this section and (b) weigh milk received from each producer and sample and test milk for butterfat.

§ 961.56 *Retention of records.* All books and records required under this order to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the calendar month to which such books and records pertain: *Provided*, That if, within such three year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

APPLICATION OF PROVISIONS

§ 961.60 *Handlers who receive no milk from producers.* The provisions hereof, except those set forth in §§ 961.50 through 961.56 and § 961.90, shall not apply to a producer-handler who receives no milk from producers nor to a handler whose sole source of milk supply consists of receipts from other handlers.

DETERMINATION OF UNIFORM PRICES TO PRODUCERS

§ 961.70 *Computation of the value of milk for each handler.* For each month the market administrator shall compute, subject to the provisions of § 961.60, the value of milk of producers disposed of by

each handler, by (a) multiplying the hundredweight of such milk in each class, computed pursuant to §§ 961.30 through 961.35 by the prices applicable pursuant to § 961.40, plus or minus the applicable differentials in §§ 961.41 through 961.43, and (b) adding together the resulting values.

§ 961.71 *Computation and announcement of uniform price for each handler.* The market administrator shall compute and announce for each handler the uniform price per hundredweight of milk received by him at each plant from producers during each month as follows:

(a) Add to the value computed pursuant to § 961.70 the amount of the adjustment to be made pursuant to § 961.83, and add or subtract the amount to be subtracted or added, respectively, by the handler pursuant to § 961.82.

(b) Divide the amount computed in paragraph (a) of this section by the total quantity of milk received from producers, including milk of his own production; and

(c) On or before the 15th day after the end of each month, notify each handler and publicly announce the uniform price computed for each handler pursuant to this section with the differentials applicable pursuant to §§ 961.82 through 961.84.

PAYMENTS FOR MILK

§ 961.80 *Time and method of payment*—(a) *Semimonthly payments.* On or before the last day of each month each handler shall make a payment to producers for milk delivered during the first 15 days of such month at not less than a rate per hundredweight which he estimates will be his uniform price for such month.

(b) *Final payment.* On or before the 20th day after the end of each month, each handler shall make full payment, subject to §§ 961.82 through 961.85, to each producer, for the total value of milk received from such producer during such month, at not less than the uniform price per hundredweight computed for such handler pursuant to §§ 961.70 and 961.71 after taking credit for payment made pursuant to paragraph (a) of this section.

§ 961.81 *Errors in payment.* Errors in making payments for milk shall be corrected not later than the date for making payments next following the determination of such errors.

§ 961.82 *Butterfat differential.* If any handler has received from any producer, during the month, milk having an average butterfat content other than 4.0 percent, such handler, in making payments pursuant to § 961.80, shall add to the uniform price for such producer for each one-tenth of 1 percent of average butterfat content in milk above 4.0 percent not less than, or shall deduct from the uniform price for such producer for each one-tenth of 1 percent of average butterfat content in milk below 4.0 percent not more than 5 cents per hundredweight.

§ 961.83 *Location differentials.* In making payments pursuant to § 961.80, each handler shall deduct from payments to producers delivering milk to a plant located in a mileage zone set forth in § 961.42 a differential equal to the percentage of the pounds of all milk received from producers at all of the producer milk plants of the handler which was used in Class I times the Class I differential rate pursuant to § 961.42 at such plant plus the percentage of Class II at the Class II rate pursuant to § 961.42.

§ 961.84 *Additional deductions.* In the case of milk received from producers at plants more than 11 miles from City Hall in Philadelphia, the handler may deduct from the payments otherwise specified in §§ 961.80 through 961.83 to be paid 7 cents per hundredweight at plants 11 to 16 miles from the City Hall in Philadelphia, and an additional 2 cents per hundredweight for plants within each additional 5 miles in excess of 16 miles but less than 31 miles.

§ 961.85 *Premium for Grade A milk.* In addition to the uniform price and all other payments required pursuant to §§ 961.80 through 961.84, each handler shall pay for milk, which he has designated as qualified under the Commonwealth of Pennsylvania Department of Health or the New Jersey Department of Health requirements for sale as Grade A milk and which is delivered to a plant similarly qualified (so long as such requirements are in effect as a separate grade), 40 cents per hundredweight of Grade A milk received from producers of 10,000 bacteria or less per c.c. and 25 cents per hundredweight of Grade A milk received from producers of more than 10,000 but less than 25,000 bacteria, times the ratio of such milk sold as Grade A either in fluid form or as products manufactured from Grade A milk to the total quantity of Grade A milk received from producers, plus 2 cents for each one-tenth of 1 percent that the butterfat content is above 3.7 percent. In addition to the above payments each handler shall add to the value of his milk computed pursuant to § 961.70, 40 cents per hundredweight of milk sold by a handler as Grade A in excess of the milk received from designated Grade A producers for whom the handler has maintained adequate laboratory records which qualify such producers for the 40-cent or 25-cent premiums described in this section.

EXPENSE OF ADMINISTRATION

§ 961.90 *Payments by handlers.* As his pro rata share of the expense of the administration hereof, each handler, on or before the 20th day after the end of each month shall pay to the market administrator, with respect to all milk received by such handler directly from producers, and all milk received from nonproducer milk plants which is allocated to Class I under § 961.34, an amount not exceeding 2 cents per hundredweight, the exact amount to be determined by the market administrator subject to review by the Secretary.

MISCELLANEOUS PROVISIONS

§ 961.100 *Termination of obligations.* The provisions of this section shall apply to any obligation under this order for the payment of money irrespective of when such obligation arose, except an obligation involved in an action instituted before August 1, 1949, under section 8c (15) (A) of the act or before a court.

(a) The obligation of any handler to pay money required to be paid under the terms of this order shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation, unless within such two year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain but need not be limited to, the following information:

(1) The amount of obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this order, to make available to the market administrator or his representatives all books and records required by this order to be made available, the market administrator may, within the two year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this order to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this order shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c (15) (A) of the act, a petition claiming such money.

§ 961.101 *Equivalent prices or indexes.* If for any reason a price or index

specified by this order for use in computing class prices or other purposes is not reported or published in the manner described in this order, the market administrator shall use a price or index determined by the Secretary to be equivalent or comparable with the factor which is specified.

§ 961.102 *Agents.* The Secretary may, by designation in writing, name any officer or employe of the United States or name any bureau or division of the United States Department of Agriculture to act as his agent or representative in connection with any of the provisions hereof.

Issued at Washington, D. C., this 6th day of June 1952, to be effective on and after the 11th day of June 1952.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 52-6413; Filed, June 10, 1952, 8:57 a. m.]

TITLE 12—BANKS AND BANKING

Chapter III—Federal Deposit Insurance Corporation

Subchapter B—Regulations and Statements of General Policy

PART 329—PAYMENT OF DEPOSITS AND INTEREST THEREON BY INSURED NONMEMBER BANKS

GRACE PERIODS IN COMPUTING INTEREST ON SAVINGS DEPOSITS

Correction

In F. R. Doc. 52-6301, appearing at page 5187 of the issue for Saturday, June 7, 1952, the chapter heading, as set forth above, was inadvertently omitted.

TITLE 14—CIVIL AVIATION

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 1]

PART 501—AIRCRAFT REGISTRATION CERTIFICATES

ISSUANCE OF REGISTRATION CERTIFICATES

This amendment revises § 501.4 which concerns the issuance of registration certificates for aircraft owned by citizens of the United States. In order to eliminate some of the difficulties now experienced in the registration of imported aircraft and to implement Article IX of the Convention on the International Recognition of Rights in Aircraft, a new paragraph (c) has been added. A proposal to revise § 501.4 was published on April 26, 1952, in 17 F. R. 3746. Interested persons were afforded an opportunity to submit data, views, and arguments. Consideration has been given to all relevant matter presented. The following revision of § 501.4 is hereby adopted:

§ 501.4 *Issuance of registration certificate*—(a) *New or previously unregistered aircraft.* A registration certificate will be issued by the Administrator for aircraft not previously registered under the provisions of the Civil Aeronautics Act of 1938, as amended, or the laws of any foreign country, if the applicant:

(1) Mails or delivers a duly executed application for registration to the Administrator accompanied by the required registration fee (see § 406.14 (c) of this chapter); and

(2) Certifies that applicant is a citizen of the United States;[1] and that the aircraft is not validly registered under the laws of any foreign country; and

(3) Submits with the application proof satisfactory to the Administrator that the applicant is the owner of such aircraft.

(b) *Aircraft previously registered in the United States.* A registration certificate will be issued by the Administrator for aircraft which have been last registered under the provisions of the Civil Aeronautics Act of 1938, as amended, if:

(1) The applicant mails or delivers a duly executed application for registration to the Administrator accompanied by the required registration fee (see § 406.14 (c) of this chapter); and

(2) The applicant certifies that he is a citizen of the United States; and

(3) The applicant submits with the application for registration a conveyance which meets the requirements prescribed in Part 503 of this chapter, evidencing applicant's ownership of the aircraft; and

(4) The conveyance submitted with the above application establishes in the recordation system of the Administrator, title to the aircraft in the applicant: *Provided,* That this requirement shall not be applicable to contracts of conditional sale in which the seller is the recorded owner of the aircraft: *And provided further,* That if for good reason an applicant for registration cannot comply with the provisions of subparagraph (3) of this paragraph and this subparagraph, other proof of ownership satisfactory to the Administrator must be submitted.

(c) *Aircraft previously registered in foreign countries.* A registration certificate will be issued by the Administrator for aircraft which have been last registered under the laws of a foreign country if the applicant:

(1) Complies with the requirements of paragraph (a) of this section; and

(2) Submits a statement signed by a proper official of the country of foreign registry to the effect that all holders of recorded rights against the aircraft have been satisfied or have consented to the transfer of registry; or

(3) Submits evidence satisfactory to the Administrator that the foreign registry has terminated or is invalid,[2] or that the country of foreign registry does not supply information with respect to recorded rights in aircraft.

(Sec. 205, 52 Stat. 984, as amended; 49 U. S. C. 425. Interprets or applies sec. 501, 52 Stat. 1005, as amended; 49 U. S. C. 521)

This amendment shall become effective thirty (30) days after publication in the FEDERAL REGISTER.

[SEAL] F. B. LEE,
Acting Administrator of Civil Aeronautics.

[F. R. Doc. 52-6371; Filed, June 10, 1952; 8:45 a. m.]

[1] As defined by section 1 (13) of the Civil Aeronautics Act of 1938; as amended, " 'Citizen of the United States' means (a) an individual who is a citizen of the United States or of one of its possessions, or (b) a partnership of which each member is such an individual, or (c) a corporation or association created or organized under the laws of the United States or of any State, Territory or possession of the United States, of which the president and two-thirds or more of the board of directors and other managing officers thereof are such individuals and in which at least 75 per centum of the voting interest is owned or controlled by persons who are citizens of the United States or of one of its possessions."

[2] The United States is a party to and has ratified the Convention on International Recognition of Rights in Aircraft, signed at Geneva on June 19, 1948. Ratification of this Convention by other signatory countries may result in limiting the application of this clause to cases in which ownership in the country of export has been terminated by a sale in execution carried out in conformity with the provisions of the Convention.

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

Subchapter C—Office of International Trade

[5th Gen. Rev. of Export Reg., Amdt. 112]

PART 384—GENERAL ORDERS

ORDER RELATING TO CERTAIN LICENSES FOR STEEL

Part 384, General Orders, is amended by adding § 384.12 to read as follows:

§ 384.12 *Order relating to certain licenses for steel.* Effective 12:01 a. m., e. d. t., June 11, 1952, exportations under validated licenses of all steel commodities in the forms and shapes indicated in Schedule 1 of CMP Regulation No. 1 (those steel items on the Positive List identified by the Processing Code STEE and the letter C) may not be made where the steel to be exported was acquired on or after the effective date of this order by the exporter from a steel distributor, as defined in NPA Order M-6A (or is being exported by such a steel distributor) pursuant to an authorized export allotment symbol W-2 or W-4, and, where it is to be used in the manufacture abroad of products identified by the DPA allotment symbol V followed by a digit, as set forth in the NPA "Official CMP Class B Product List and Product Assignment Directory", issued May 1, 1952, by the National Production Authority of the Department of Commerce (section III, CMP Class B Product Class Codes—by NPA Divisions, pages 32A through 36A). For export shipments not prohibited by the terms of this order, exporters shall make the following certification on the shipper's export declaration covering the proposed exportation of all commodities identified on the Positive List by the Processing Code STEE and the letter C:

I certify to the Office of International Trade that, to the best of my knowledge and belief, this exportation is in accordance with the terms of OIT Order, § 384.12.

This order shall not apply to steel acquired by or from a steel distributor which was on dock, on lighter, laden aboard an exporting carrier, or in transit to a port of exit pursuant to actual orders for export prior to the effective date of this order.

This order shall not apply to licenses bearing an OIT waiver of its requirements validated on the face of the license or on an amendment thereto after the effective date.

(Sec. 3, 63 Stat. 7; 65 Stat. 43; 50 U. S. C. App. Sup. 2023, E. O. 9630, Sept. 27, 1945, 10 F. R. 12245, 3 CFR, 1945 Supp.; E. O. 9919, Jan. 3, 1948, 13 F. R. 59, 3 CFR, 1948 Supp.)

LORING K. MACY,
Director,
Office of International Trade.

[F. R. Doc. 52-6472; Filed, June 10, 1952; 10:57 a. m.]

Chapter IV—Foreign-Trade Zones Board

[Order 29]

PART 400—GENERAL REGULATIONS GOVERNING FOREIGN-TRADE ZONES IN THE UNITED STATES, WITH RULES OF PROCEDURE

MISCELLANEOUS AMENDMENTS

Notice of proposed rule making having been given, pursuant to section 4 of the Administrative Procedure Act (5 U. S. C. 1003), published in the FEDERAL REGISTER on October 19, 1951 (16 F. R. 10706-10708), consideration having been given to all suggested revisions, views and arguments submitted in writing by interested persons, and required notice having been given of the disposition thereof, the General Regulations Governing Foreign-Trade Zones in the United States, with Rules of Procedure of the Foreign-Trade Zones Board (15 CFR Part 400), are hereby amended, and become effective 30 days after publication in the FEDERAL REGISTER, as follows:

1. Amend § 400.100 to read as follows:

§ 400.100 *Act.* The term "Act" means the Foreign-Trade Zones Act of June 18, 1934 (48 Stat. 998-1003; 19 U. S. C. 81a-81u), as amended by Pub. Law 566, 81st Cong., approved June 17, 1950.

2. Amend § 400.101 to read as follows:

§ 400.101 *Zone.* The term "zone" means a "foreign-trade zone." It is an isolated, enclosed, and policed area, operated as a public utility, in or adjacent to a port of entry, furnished with facilities for lading, unlading, handling, storing, manipulating, manufacturing, and exhibiting goods, and for reshipping them by land, water, or air. Any foreign and domestic merchandise, except such as is prohibited by law or such as the Board may order to be excluded as detrimental to the public interest, health, or safety, may be brought into a zone without being subject to the customs laws of the United States governing the entry of goods or the payment of duty thereon; and such merchandise permitted in a zone may be stored, exhibited, manufactured, mixed or manipulated in any manner, except as provided in the act and other applicable laws or regulations. The merchandise may be exported, destroyed, or sent into customs territory from the zone, in the original package or otherwise. It is subject to customs duties if sent into customs territory, but not if reshipped to foreign points.

3. Add new § 400.304.

§ 400.304 *Zones for specialized purposes.* The establishment of a zone, or a sub-zone in an area separate from an existing zone, for one or more of the specialized purposes of storing, manipulating, manufacturing, or exhibiting goods, may be authorized if the Board finds that existing or authorized zones will not serve adequately the convenience of commerce with respect to the proposed purposes.

4. Delete § 400.800 and substitute the following:

§ 400.800 *Operations in zone, and forms and procedures.* The merchandise and operations permitted in a zone, the disposition of merchandise in a zone, the zone status of the merchandise and special provisions applicable to each status, the subsequent importation of merchandise exported from a zone, and other operations in a zone authorized by the act, are hereinafter in this part generally described. The zone forms[1] required are appended to these regulations and made a part thereof, and the procedures required are set forth in Customs regulations relating to foreign-trade zones (19 CFR Part 30), and the regulations and schedules of rates and charges made and fixed by the zone grantee and approved by the Board.

5. Delete §§ 400.801 and 400.802 and substitute the following:

§ 400.801 *Merchandise permitted in a zone.* Foreign and domestic merchandise of every description, except such as is prohibited by law, may, without being subject to the customs laws of the United States, except as otherwise provided in the act and the regulations made thereunder, be brought into a zone.

(a) Merchandise which is specifically and absolutely prohibited by law shall not be admitted into a zone. Any merchandise so prohibited by law which is found within a zone shall be disposed of in the manner provided for in the laws and regulations applicable to such merchandise. A distinction is made between (1) merchandise which is specifically and absolutely prohibited by law on the grounds of policy or morals, such as immoral or subversive literature, obscene articles, or lottery matter, and (2) merchandise which is subject to conditional prohibition only, for example, articles which are subject to permits or licenses for the protection of economic or national security or which may be reconditioned to bring them into compliance with the laws administered by various Federal agencies. Collectors of customs are required to exclude the first class of articles and may not permit them to be transferred to a zone if they are aware of their prohibited status, except that the collector may permit the temporary deposit of any such merchandise in the zone pending final determination of its status. The transfer of articles of the second class to a zone is subject to any requirements of the Federal agency concerned. There is no prohibition against placing over-quota merchandise in a zone pending its right to transfer to customs territory pursuant to the applicable quota provisions.

(b) The application for the admission of merchandise into a zone shall be approved or disapproved by the collector, as the representative of the Board, where the merchandise is not excluded by any other Federal agency having jurisdiction over the merchandise.

6. Add new § 400.802.

§ 400.802 *Disposition of merchandise in a zone.* In general, merchandise lawfully brought into a zone may, in accordance with these and other regulations made under the provisions of the act be exported, destroyed, or sent into customs territory of the United States therefrom, in the original package or otherwise; but when foreign merchandise, and domestic merchandise whose identity has been lost, is so sent from a zone into customs territory of the United States it shall be subject to the laws and regulations of the United States affecting imported merchandise.

7. Change the number of § 400.803, *Exclusion from zone of goods or process of treatment,* to § 400.807.

8. Add new § 400.803.

§ 400.803 *Manipulation, manufacture, and exhibition of merchandise.* In general, merchandise, lawfully brought into a zone may, in accordance with these and other regulations made under the provisions of the act, be stored, sold, exhibited, broken up, repacked, assembled, distributed, sorted, graded, cleaned, mixed with foreign and domestic merchandise, or otherwise manipulated, or be manufactured, except as otherwise provided by the act.

(a) Permission for any manipulation, manufacture, or exhibition in a zone shall be obtained from the collector, as the representative of the Board, subject to such application and procedure prescribed by the Secretary of the Treasury for the protection of the revenue.

(b) In the event of the denial of any application by the collector for any reason, the applicant, the grantee, or the operator of the zone may appeal the adverse ruling to the Board. If any revenue-protection considerations are involved in such an application, the Board shall be guided by the determinations of the Secretary of the Treasury with respect to them.

9. Delete § 400.803a *Handling of gold.*

10. Change the number of §400.804 *Retail trade within zone,* to §400.808.

11. Add new §400.804.

§ 400.804 *Status of merchandise in a zone.* (a) For the purposes of the act

[1] Zone Forms B, C, D, E, F filed as part of original document.

and the regulations of this part, all merchandise within a zone, except merchandise in transit through a zone as provided in § 30.5 of Customs regulation,[1] and except merchandise temporarily transferred to a zone for manipulation as provided in paragraph (b) of this section, shall be given a zone status as:

(1) Privileged foreign merchandise,

(2) Privileged domestic merchandise,

(3) Non-privileged foreign merchandise,

(4) Non-privileged domestic merchandise, or

(5) Zone-restricted merchandise,

in accordance with §§ 30.6, 30.7, 30.8, 30.9, and 30.10 of Customs regulations.

(b) Imported merchandise which has been entered and which has remained in continuous customs custody may be temporarily transferred to a zone for manipulation under customs supervision pursuant to section 562, Tariff Act of 1930, as amended, and for return to customs territory. Any such merchandise shall not be considered within the purview of the Foreign-Trade Zones Act, but shall be treated in all respects as though remaining in customs territory. Therefore no zone form or procedure shall be considered applicable, but the merchandise shall remain subject in the zone to such requirements as are necessary for the enforcement of section 562 and other pertinent customs laws.

12. Delete § 400.805 and substitute the following:

§ 400.805 *Use of zone by carriers.* The water area, docking facilities, and loading or unloading stations of a zone are intended primarily for the use of vessels, vehicles, or aircraft unlading merchandise into the zone or lading merchandise from the zone, and their use for other purposes may be terminated by the Secretary of the Treasury if found to endanger the revenue, or by the Board if found to interfere with the primary uses of the zone.

13. Add new § 400.806.

§ 400.806 *Subsequent importation of zone merchandise.* Articles produced or manufactured in a zone and exported therefrom shall, on subsequent importation into the customs territory of the United States, be subject to the import laws applicable to like articles manufactured in a foreign country, except that articles produced or manufactured in a zone exclusively with the use of domestic merchandise, the identity of which has been maintained in accordance with the Second Proviso of section 3 of the Act, as amended, may, on such importation, be entered as American goods returned.

14. Change the numbers of sections as follows:

a. Section 400.806 *Residence within zone,* to § 400.809.

b. Section 400.807 *Employees and persons entering and leaving zone,* to § 400.810.

c. Section 400.808 *All persons entering zone bound by regulations,* to § 400.811.

d. Section 400.809 *Identification of employees within zone,* to § 400.812.

[1] 19 CFR, Part 30.

15. Change the number of § 400.810 to 400.813, and amend to read as follows:

§ 400.813 *Hours of business and service.* Hours of business and service, for customs purposes, shall be the same as those prescribed in Customs regulations.

16. Change the number of § 400.811 to § 400.814, and amend to read as follows:

§ 400.814 *Payment of customs officers and employees.* (a) The cost of maintaining the customs service in a zone shall be paid monthly by the grantee of such zone to the collector of customs.

(b) Customs officers and employees performing services in a zone at night, or on Sundays and holidays, shall receive extra compensation, to be computed as and under the conditions prescribed by Customs regulations.

(c) For the purpose of computing extra compensation the word "night" shall be construed to mean the time from 5:00 p. m. to 8:00 a. m. and the word "holiday" shall include only national holidays, viz., January 1, February 22, May 30, July 4, the first Monday in September, November 11, the fourth Thursday in November, and December 25, and such other days as may be made national holidays.

(d) In a zone at a port where customary working hours are other than those herein mentioned, the collector of customs is authorized to regulate the hours of customs officers and employees assigned to the zone so as to agree with prevailing working hours in said port, but nothing herein shall be construed in any manner to affect or alter the length of a working day for customs officers or employees, or the overtime pay.

17. Change the number of § 400.812 *Erection of buildings within zone by persons other than grantee,* to § 400.815.

18. Delete § 400.1000 and substitute the following:

§ 400.1000 *Operation, maintenance, and administration.* The zone shall be operated, maintained, and administered by the grantee under (a) the supervision, direction, and control of the Board in accordance with the provisions of the act and the regulations of the Board in this part, (b) the regulations relating to foreign-trade zones of the Bureau of Customs for the protection of the revenue (19 CFR Part 30) and any other law, regulation, or instruction the Customs Service is required or authorized to enforce, (c) such other applicable laws and regulations thereunder of other Federal agencies, and (d) the regulations and schedules of rates and charges made and fixed by the grantee and approved by the Board. The collector in whose district the zone is located shall, in addition to his duties as Collector of Customs, be in local charge of the zone as the resident representative of the Board. He may call upon the district engineer and local representatives of other governmental departments and agencies for advice in matters of operation, maintenance, and administration.

19. Amend § 400.1001 to read as follows:

§ 400.1001 *Regulations promulgated by grantee, and posting of regulations within zone.* The grantee shall, before beginning operation of a zone submit to the Board its own rules, regulations, and practices for the operation of the zone, subject to disapproval of the Board. There shall be posted in a conspicuous place within the zone copies of the regulations issued by the Board and the approved regulations of the grantee, or of such extracts from either or both of such regulations as the Board may designate.

20. Amend § 400.1002a to read as follows:

§ 400.1002a *Uniform system of accounts, records, and reports.* Every grantee of a zone shall keep its books, records, and accounts in the form and manner prescribed in "Uniform System of Accounts, Records, and Reports", approved February 6, 1939.

21. Delete § 400.1315 *Operation, maintenance, and administration.*

22. Change the numbers of sections as follows:

a. Section 400.1316 *Evidence,* to § 400.1315.

b. Section 400.1317 *Object of hearing,* to § 400.1316.

c. Section 400.1318 *Notice of hearing,* to § 400.1317.

d. Section 400.1319 *Procedure at hearing,* to § 400.1318.

e. Section 400.1320 *Adjournment of hearing,* to § 400.1319.

f. Section 400.1321 *Record of proceedings,* to § 400.1320.

g. Section 400.1322 *Additional rules of practice,* to § 400.1321.

(Sec. 8, 48 Stat. 1000; 19 U. S. C. 81h)

Signed at Washington, D. C., this 5th day of June 1952.

FOREIGN-TRADE ZONES BOARD,
[SEAL] CHARLES SAWYER,
Secretary of Commerce, Chairman and Executive Officer, Foreign-Trade Zones Board.

[F. R. Doc. 52-6415; Filed, June 10, 1952; 8:56 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 53010]

PART 19—CUSTOMS WAREHOUSES AND CONTROL OF MERCHANDISE THEREIN

PART 30—FOREIGN-TRADE ZONES

In view of the amendment of section 3 of the Act of June 18, 1934 (19 U. S. C. 81c), relating to foreign-trade zones, by section 1 of the Act of June 17, 1950 (Public Law No. 566), the Customs Regulations are hereby amended as follows:

1. Sections 19.29 to 19.39, inclusive, of the Customs Regulations of 1943, as amended, are deleted.

2. A new "Part 30—Foreign-Trade Zones," consisting of §§ 30.1 to 30.18, inclusive, is added to the Customs Regulations of 1943, as amended, as follows:

PART 30—FOREIGN-TRADE ZONES

Sec.
30.1 Merchandise permitted in a zone.
30.2 Use of zone by carriers.
30.3 Transportation of merchandise to a zone.
30.4 Who may file a zone application.
30.5 Admission of merchandise into a zone.
30.6 Privileged foreign merchandise.
30.7 Privileged domestic merchandise.
30.8 Non-privileged foreign merchandise.
30.9 Non-privileged domestic merchandise.
30.10 Zone-restricted merchandise.
30.11 Customs control of merchandise in a zone.
30.12 Manipulation, manufacture, or exhibition in a zone.
30.13 Destruction of merchandise in a zone.
30.14 Sending merchandise from a zone into customs territory.
30.15 Direct exportation from a zone.
30.16 Supplies, equipment, and repair material for vessels or aircraft.
30.17 Transfer of merchandise from one zone to another.
30.18 Reimbursement of customs expenses.

AUTHORITY: §§ 30.1 to 30.18 issued under R. S. 161, sec. 624, 46 Stat. 759; 5 U. S. C. 22, 19 U. S. C. 1624. Interpret or apply R. S. 251, sec. 3, 44 Stat. 1382, secs. 1–24, 48 Stat. 998; 5 U. S. C. 281b, 19 U. S. C. 66, 81a–81u.

§ 30.1 *Merchandise permitted in a zone.* Foreign and domestic merchandise of every description, except such as is prohibited by law, may be brought into a foreign-trade zone (hereinafter in this part referred to as a "zone") established pursuant to the act of June 18, 1934, as amended by section 1 of the act of June 17, 1950 (19 U. S. C. 81a–81u, and Pub. Law 566, 81st Cong., hereinafter in this part referred to as "the act"). Merchandise which is specifically and absolutely prohibited by law shall not be admitted into a zone.[1] Any merchandise so prohibited by law which is found within a zone shall be disposed of in the manner provided for in the laws and regulations applicable to such merchandise. A distinction is made between (a) merchandise which is specifically and absolutely prohibited by law on the grounds of policy or morals, such as immoral or subversive literature, obscene articles or lottery matter, and (b) merchandise which is subject to conditional prohibition only, for example, articles which are subject to permits or licenses for the protection of economic or national security or which may be reconditioned to bring them into compliance with the laws administered by various Federal Agencies. Collectors of customs are required to exclude the first class of articles and may not permit them to be transferred to a zone if they are aware of their prohibited status, except that the collector may permit the temporary deposit of any such merchandise in the zone pending final determination of its status. The transfer of articles of the second class to a zone is subject to any requirements of the Federal agency concerned. There is no prohibition against placing over-quota merchandise in a zone pending its right to transfer to customs territory pursuant to the applicable quota provisions. The application for the admission of merchandise into a zone shall be approved or disapproved by the collector, as the representative of the Foreign-Trade Zones Board (hereinafter in this part referred to as "the Board"), where the merchandise is not excluded by any other Federal agency having jurisdiction over it.

§ 30.2 *Use of zone by carriers.* (a) The water area, docking facilities, or any loading or unloading stations of a zone are intended primarily for the use of vessels, vehicles, or aircraft unlading merchandise[2] into the zone or lading merchandise from the zone, and their use for other purposes may be terminated by the Secretary of the Treasury if found to endanger the revenue, or by the Board if found to impede the primary uses of the zone.

(b) Nothing in the act or the regulations in this part shall be construed as excepting any carrier entering, remaining in, or leaving a zone from the application of any other pertinent law or regulation.

§ 30.3 *Transportation of merchandise to a zone.*[3] (a) Merchandise may be brought directly to a zone from any place outside customs territory[4] by vessel, vehicle, or aircraft.

(b) Domestic merchandise[5] may be brought to a zone from customs territory by any means of transportation which will not interfere with the orderly conduct of business in the zone.

(c) Foreign merchandise[6] destined to a zone and moving through customs territory outside a port shall be subject to the laws and regulations pertaining to the movement of like merchandise between two ports in customs territory.

(d) Foreign merchandise being transferred within a port to a zone shall be subject to the laws and regulations pertaining to the movement of like merchandise within the customs territory of the port before delivery to the importer.

§ 30.4 *Who may file a zone application.* (a) This section tells who is authorized to apply for permission to transfer merchandise into a zone, to do anything with respect to the merchandise within the zone, or remove the merchandise from the zone. In general, the zone grantee shall have the sole responsibility for determining the legal right of the applicant to make the application. Accordingly, such applications shall show a written concurrence of the zone grantee, except where the regulations in this part provide for the filing of applications by the zone grantee itself, or permit the filing of blanket concurrences by the zone grantee. Government officers acting in their official capacities may question the zone grantee's concurrence if in their opinion it is improperly given. In the case of foreign merchandise brought into a zone through customs territory, the appropriate application as prescribed in § 30.5 must be filed by the person having a right to apply for release.

(b) The forms of application provided for in this part shall be filed in the number of copies required for the purposes of local administration.

§ 30.5 *Admission of merchandise into a zone.* (a) This section tells how to obtain the right to unlade or bring merchandise into a foreign-trade zone.

(b) If the merchandise is to be unladen from any carrier in the zone for immediate transfer to customs territory, or if it is to be transferred from customs territory through the zone for immediate lading on any carrier therein, an application for permission to unlade or lade shall be filed on customs Form 3171 and the collector shall permit the unlading or lading unless he has reason to believe that the merchandise will not be moved promptly from the zone or made the subject of an application for zone status in accordance with paragraph (d) of this section. Any such merchandise shall not be considered within the purview of the act, but shall be treated in all respects as though the unlading or lading were in customs territory. Merchandise brought into a zone for lading on a carrier which is not laden without delay which will endanger the revenue must be made the subject of an application for zone status in accordance with paragraph (d) of this section or be removed from the zone.

(c) Imported merchandise which has been entered and which has remained in continuous customs custody may be temporarily transferred to a zone for manipulation under customs supervision pursuant to section 562, Tariff Act of 1930, as amended, and for return to customs territory. Any such merchandise shall not be considered within the purview of the Foreign-Trade Zones Act, but shall be treated in all respects as though remaining in customs territory. Therefore, no zone form or procedure shall be considered applicable, but the merchandise shall remain subject in the zone to such requirements as are necessary for the enforcement of section 562 and other pertinent customs laws.

(d) If the merchandise is to be unladen or brought into the zone for purposes other than as provided for in

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[1] "Foreign and domestic merchandise of every description, except such as is prohibited by law, may, without being subject to the customs laws of the United States, except as otherwise provided in this Act, be brought into a zone * * *." (Sec. 1, Pub. Law No. 566, 81st Cong.)

[2] As used in this part the term "merchandise" means goods, wares and chattels of every description, except prohibited articles, and except the usual wearing apparel and accouterments of persons entitled to enter a zone.

[3] For transfer of merchandise from one zone to another zone, see § 30.17.

[4] As used in this part the term "customs territory" means territory of the United States in which the general tariff law of the United States applies but which is not included in any zone.

[5] As used in the act and in this part, the term "domestic merchandise" means merchandise of every description (not including prohibited articles) which has been (1) produced in the United States and not exported therefrom or (2) previously imported into customs territory and properly released from customs custody.

[6] As used in the act and in this part the term "foreign merchandise" means imported merchandise of every description (not including prohibited articles) which has not been properly released from customs custody in customs territory.

paragraph (b) of this section an application to transfer into the zone shall be filed on zone Form D. The approval of the grantee shall be noted on this application unless the grantee furnishes a specific or blanket approval separately in writing. In the case of merchandise to be unladen within a zone directly from an importing vessel or aircraft and intended to have zone status, an application for permission to unlade shall also be filed on customs Form 3171. Before foreign merchandise being transported through customs territory may be brought into a foreign trade zone, a release order authorizing the transfer of the merchandise to the zone must be obtained from the carrier bringing the merchandise to the port at which the zone is located. The release order shall be noted on the application Form D unless the carrier has given the release order as a separate document. Whether the release order is noted on application Form D or is given as a separate document, application Form D shall be supported by evidence of the right of the applicant to transfer the merchandise to the zone. This evidence shall be the same as would be required to establish the right of the applicant to apply for release of the merchandise from customs custody at the end of its transit through customs territory. Such evidence usually consists of an original bill of lading in the name of the applicant, an original bill of lading endorsed to him, or a carrier's certificate.

Every application made under this paragraph shall indicate the zone status desired as follows:[7]

(1) Privileged foreign merchandise,

(2) Privileged domestic merchandise,

(3) Non-privileged foreign merchandise,

(4) Non-privileged domestic merchandise, or

(5) Zone-restricted merchandise.

(e) No merchandise shall be transferred into a zone until an application has been filed and a permit issued for the transfer, as set forth in paragraph (b) or (d) of this section.

(f) The collector may cause any merchandise in a zone to be examined at the time of admission, or at any time thereafter, if the examination is deemed necessary to facilitate the proper administration of any law, regulation, or instruction which the Customs Service is authorized to enforce.

(g) Whenever a certificate as to the arrival of any merchandise in a zone is required by a Federal agency the collector shall issue the certificate, properly describing and identifying the merchandise involved.

§ 30.6 *Privileged foreign merchandise.* (a) This section tells how to obtain a privileged status for foreign merchandise, and what are the legal incidents of such status.

(b) Merchandise within the purview of the first proviso to section 3 of the act, as amended,[8] shall be given status as privileged foreign merchandise on proper application. Each application for this status shall be filed on zone Form B, with the application for admission of the merchandise into the zone, or at any time thereafter and before the merchandise has been manipulated or manufactured in the zone in a manner which has effected a change in its tariff classification. Each applicant for such status shall file with his application a zone customs entry on customs Form 7502. Upon acceptance of the entry, the collector shall cause the merchandise to be appraised and taxes determined and duties liquidated thereon promptly. The taxes to be determined are those of the same nature as are indicated in the liquidation of entries of imported merchandise in customs territory.

(c) A status as privileged foreign merchandise and the consequent determination of taxes and liquidation of duties cannot be bandoned, but remain applicable to the merchandise even if changed in form by manipulation or manufacture, except in the case of recoverable waste, as long as the merchandise remains within the purview of the act.

(d) The procedure in connection with the preparation, filing, and acceptance of the entry, the making of notations on invoices, the preparation of customs Form 6417, the designation of examination packages or quantities, and the examination and appraisement of the merchandise shall be the same as that prescribed in the case of an entry for warehouse made in customs territory, except that no bond shall be required.

(e) Application may be made for permission to manipulate, manufacture, or exhibit any privileged foreign merchandise before taxes have been determined and duties liquidated thereon, but in such case the examination for purposes of appraisement must be completed, or the packages or samples required for such examination must be segregated, before the collector approves the application.

(f) Privileged foreign merchandise shall be subject to appraisement and tariff classification according to its condition and quantity, and to the rates of duty and tax in force, on the date of the filing with the collector, in complete and proper form for approval, of the request on zone Form B for privileged foreign status and the zone customs entry which is required to accompany it. The value of such merchandise shall be determined in accordance with sections 402 and 503 of the Tariff Act of 1930 and the related provisions of law.

(g) For all customs purposes, the date of exportation of privileged foreign merchandise from the country whence it was exported to the United States is the date of its final departure from that country, in accordance with § 14.3 (b) of this chapter.

(h) The value declared in any zone customs entry for privileged merchandise may be amended in accordance with the provisions of section 487, Tariff Act of 1930, and the regulations thereunder.[9]

(i) With respect to privileged foreign merchandise, the requirements, privileges, and procedures of notices of appraisement, appeals for reappraisement, posting of liquidations, and protests against decisions of the collector are the same as those prescribed in the case of merchandise covered by an entry for warehouse in customs territory.

§ 30.7 *Privileged domestic merchandise.* Merchandise within the purview of the second proviso to section 3 of the act, as amended,[10] shall be given status as privileged domestic merchandise on proper application. Application for this status shall be included in the application to transfer the merchandise into the zone on zone Form D, as provided for in § 30.5 (d). In such cases the evidence of the right of the applicant to transfer the merchandise to the zone provided for in that section and the release order of the carrier are not required. If the collector is satisfied that the revenue will be protected, and the rights of importers will not be prejudiced, he may permit the transfer to a zone of domestic packing and repair materials and other adjunctive articles without re-

[7] See § 8.6, Customs Regulations of 1943 (19 CFR 8.6).

[8] * * * *Provided*, That whenever the privilege shall be requested and there has been no manipulation or manufacture effecting a change in tariff classification, the collector of customs shall take under supervision any lot or part of a lot of foreign merchandise in a zone, cause it to be appraised and taxes determined and duties liquidated thereon. Merchandise so taken under supervision may be stored, manipulated, of manufactured under the supervision and regulations perscribed by the Secretary of the Treasury, be exported or destroyed, or may be sent into customs territory upon the payment of such liquidated duties and determined taxes thereon. If merchadise so taken under supervision has been manipulated or manufactured, such duties and taxes shall be payable on the quantity of such foreign merchandise used in the manip. ulation or manufacture of the entered article. Allowance shall be made for recoverable and irrecoverable waste; and if recoverable waste is sent into customs territory, it shall be dutiable and taxable in its condition and quantity and at its weight at the time of entry. Where two or more products result from the manipulation or manufacture of merchandise in a zone the liquidated duties and determined taxes shall be distributed to the several products in accordance with their relative value at the time of separation with due allowance for waste as provided for above: * * * (Sec. 1, Pub. Law No. 566, 81st Cong.).

[9] See § 8.16, Customs Regulations of 1943 (19 CFR 8.16).

[10] * * * *Provided further*, That subject to such regulations respecting identity and the safeguarding of the revenue as the Secretary of the Treasury may deem necessary, articles, the growth, product, or manufacture of the United States, on which all internal-revenue taxes have been paid, if subject thereto, and articles previously imported on which duty and/or tax has been paid, or which have been admitted free of duty and tax, may be taken into a zone from the customs territory of the United States, placed under the supervision of the collector, and whether or not they have been combined with or made a part, while in such zone, of other articles, may be brought back thereto free of quotas, duty or tax: * * *. (Sec. 1, Pub. Law No. 566, 81st Cong.).

quiring an application on zone Form D. If the requirements of the second proviso are complied with, any of the foreging may subsequently be brought back to customs territory free of quotas, duty, or tax.

§ 30.8 *Non-privileged foreign merchandise.* (a) All the following shall have the status of non-privileged foreign merchandise:

(1) Foreign merchandise properly in a zone which does not have the status of privileged foreign merchandise or of zone-restricted merchandise;

(2) Waste recovered from any manipulation or manufacture of privileged foreign merchandise; and

(3) Domestic merchandise which will be subject to treatment as foreign merchandise as provided for in the third proviso to section 3 of the act as amended,[11] if removed to customs territory.

(b) Any domestic merchandise shall be deemed to have lost its identity as such for the purposes of paragraph (a) (3) of this section if the collector shall determine that it cannot be identified positively by customs officers as domestic merchandise on the basis of their examination of the articles and their consideration of any proof that may be submitted promptly by a party in interest.

§ 30.9 *Non-privileged domestic merchandise.* All merchandise which could have obtained the status of privileged domestic merchandise but for which no application for such status has been approved (not including any merchandise within the purview of § 30.8 (a) (3)) shall have the status of non-privileged domestic merchandise.

§ 30.10 *Zone-restricted merchandise.* (a) Merchandise within the purview of the fourth proviso to section 3 of the act, as amended,[12] shall be given status as zone-restricted merchandise on proper application. Application for this status shall be included in the application to transfer the merchandise into the zone on zone Form D, as provided for in § 30.5 (d).

(b) If the merchandise is to be considered exported for the purpose of any Federal law other than the customs laws, the collector shall be satisfied that all pertinent laws, regulations, and rules administered by the Federal agency concerned have been complied with before he approves the application provided for in § 30.5 (d).

(c) If the applicant desires a zone-restricted status in order that the merchandise may be considered exported for the purpose of any customs laws, all pertinent customs requirements relating to actual exportations shall be complied with as though the admission of the merchandise into the zone constituted a lading on an exporting carrier at a port of final exit from the United States. Any declaration or form required for a case of actual exportation shall be modified to show that the merchandise has been deposited in a zone in lieu of actual exportation, and a copy of the approved application provided for in § 30.5 (d) may be accepted in lieu of any proof of shipment required in cases of actual exportation.

(d) If merchandise is transferred from a customs bonded warehouse into a zone, it shall have the status of zone-restricted merchandise when admitted into the zone in view of the provisions of the fourth proviso to section 3 of the act, and in all such cases the application provided for in § 30.5 (d), shall state that a zone-restricted status is desired for the merchandise. Merchandise taken into a zone for manipulation elsewhere than in a bonded warehouse under the provisions of section 562, Tariff Act of 1930, as amended, is not considered within the purview of the fourth proviso of section 3 of the act.

§ 30.11 *Customs control of merchandise in a zone.* (a) No merchandise in a zone shall be removed therefrom in any manner or for any purpose except as provided for in the regulations in this part.

(b) If the collector deems it necessary for the protection of the revenue, he may require segregation of privileged foreign, privileged domestic, zone-restricted, and such other merchandise as he determines to be subject to special risks to the revenue.

(c) The operator of the zone shall keep the collector's office currently informed as to the location of any merchandise in the zone which is not within the purview of paragraph (b) of this section, and shall notify the collector promptly of any loss or damage that may occur to any merchandise in the zone.

§ 30.12 *Manipulation, manufacture, or exhibition in a zone.* (a) Permission for manipulation, manufacture, or exhibition of merchandise in a zone may be obtained by filing with the collector an application on zone Form E. No such operation shall be carried on until the collector has approved the application.

(b) The application shall include a full description of the proposed operation; a designation of the exact place in the zone where the operation is to be performed; the identification of the involved merchandise by lot number, marks and numbers of the packages, description, quantity, and zone status; and in the case of manipulation or manufacture a statement as to whether articles with one zone status are to be packed, commingled, or combined with articles having a different zone status.

(c) The collector shall approve the application unless the proposed operation would be in violation of the fourth or fifth proviso to section 3 of the act, as amended,[13] or the place designated for its performance is not suitable for preventing confusion as to the identity or status of the merchandise and for safeguarding the revenue.

(d) In the event of the denial of any application by the collector for any reason, the applicant, the grantee of the zone, or the operator of the zone, may appeal the adverse ruling to the Board. If any revenue protection considerations are involved in such an application, the Board shall be guided by the determinations of the Secretary of the Treasury with respect to them.

(e) When any privileged merchandise is to be manipulated in any way or manufactured, the person performing the operation shall maintain records containing the following information:

(1) A full identification, as specified in paragraph (b) of this section, of each lot of privileged merchandise used in the operation,

(2) The unit and total values of each such lot, the values in the case of privileged foreign merchandise to be those declared in the zone customs entry, including any amendment thereof,

(3) The commercial name or description of the product resulting from the operation, or of each such product if there are more than one,

(4) The quantity of such product or of each such product, as the case may be,

(5) The commercial name or description and quantity of each kind of waste recovered from the operation, and

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[11] "*Provided further*, That if in the opinion of the Secretary of the Treasury their identit yhas been lost, such articles not entitled to free entry by reason of non-compliance with the requirements made hereunder by the Secretary of the Treasury shall be treated when they reenter customs territory of the United States as foreign merchandise under the provisions of the tariff and internal-revenue laws in force at that time: * * * (Sec. 1, Pub. Law No. 566, 81st Cong.).

[12] * * * *Provided further*, That under the rules and regulations of the controlling Federal agencies, articles which have been taken into a zone from customs territory for the sole purpose of exportation, destruction (except destruction of distilled spirits, wines, and fermented malt liquors), or storage shall be considered to be exported for the purpose of—

(a) The draw-back, warehousing, and bonding, or any other provisions of the Tariff Act of 1930, as amended, and the regulations thereunder; and

(b) The statutes and bonds exacted for the payment of draw-back, refund, or exemption from liability for internal-revenue laws generally and the regulations thereunder.

Such a transfer may also be considered an exportation for the purposes of other Federal laws insofar as Federal agencies charged with the enforcement of those laws deem it advisable. Such articles may not be returned to customs territory for domestic consumption except where the Foreign-Trade Zones Board deems such return to be in the public interest, in which event the articles shall be subject to the provisions of paragraph 1615 (f) of the Tariff Act of 1930, as amended: * * *." (Sec. 1, Pub. Law No. 566, 81st Cong.)

[13] The fourth proviso is quoted in footnote 12.

"* * * *Provided further*, That no operation involving any foreign or domestic merchandise brought into a zone which operation would be subject to any provision or provisions of section 1807, chapter 15, chapter 16, chapter 17, chapter 21, chapter 23, chapter 24, chapter 25, chapter 26, or chapter 32 of the Internal Revenue Code if performed in customs territory, or involving the manufacture of any article provided for in paragraph 367 or paragraph 368 of the Tariff Act of 1930, shall be permitted in a zone except those operations (other than rectification of distilled spirits and wines, or the manufacture or production of alcoholic products unfit for beverage purposes) which were permissible under this Act prior to July 1, 1949: * * *." (Sec. 1, Pub. Law No. 566, 81st Cong.)

(6) The description (i. e., evaporation, leakage, spillage, dust, etc.) and quantity of each kind of total physical loss resulting from the operation.

If any non-privileged merchandise is to be used in the operation, records shall be maintained containing a full identification, as specified in paragraph (b) of this section, and the unit and total values of each lot of the merchandise used in the operation.

§ 30.13 *Destruction of merchandise in a zone.* (a) Each application to destroy merchandise in a zone shall be filed with the collector on zone Form E.

(b) The application shall include a description of the proposed method of destruction, a designation of the place where the destruction is to be accomplished, and an identification of the merchandise as in the case of an application for permission to manipulate (§ 30.12 (b)).

(c) The destruction of distilled spirits, wines, and fermented malt liquors having a zone-restricted status may not be authorized in view of the exception in the fourth proviso to section 3 of the act, as amended. In any other case, if the collector is satisfied that the destruction will be effective and that the revenue will be adequately protected, he shall approve the application. If proper destruction can not be effectively accomplished within the zone, the collector may permit it to be done elsewhere, in whole or in part, under such conditions as he shall specify for protecting the revenue. Any residue of destruction which is entirely worthless may be removed to customs territory for disposal.

§ 30.14 *Sending merchandise from a zone into customs territory.* (a) When privileged domestic merchandise which has not been mixed, combined, or repacked in the zone with merchandise having a different zone status is to be transferred from the zone to customs territory, the zone grantee shall submit to the collector a description of the proposed transaction, in triplicate, and signed by him which shall include:

(1) The proposed date of transfer;

(2) The identification of the carrier;

(3) The destination of the shipment;

(4) Identification of the merchandise by zone storage location, lot number, marks and numbers of the packages, description, quantity, and zone status; and

(5) A notation as to any shortage or damage.

If the transfer is aproved by the collector the original of the description shall be so stamped to serve as a permit of delivery, the original and one copy shall be returned to the grantee, and the triplicate shall be retained by the collector. If a form of tally prepared by the zone grantee for its purposes contains the necessary information, it may be accepted by the collector as the description required by this paragraph. No document other than the permit of delivery shall be required to release the merchandise to the grantee and authorize is transfer into customs territory.

(b) When privileged foreign merchandise which has not been mixed, combined, or repacked in the zone is to be transferred to customs territory otherwise than for exportation, a zone withdrawal on customs Form 7505 shall be filed as an application for the transfer (see § 30.4). Such withdrawal shall be supported by a bond on customs Forms 7551, 7553, or other appropriate form, and the applicant shall pay the liquidated duties and determined taxes, as assessed in the liquidation of the pertinent zone customs entry, for the quantity of merchandise to be transferred. Such bond shall not be required when all the merchandise to be transferred to customs territory has been inspected, examined, and appraised, and has been found to comply with all laws and regulations governing its admission into the commerce of the United States, and there have been produced all documents for the production of which a bond is required by law or regulations if not filed at the time of entry. If the pertinent zone customs entry has not been liquidated estimated duties and taxes shall be deposited. Upon acceptance of the withdrawal, the collector shall release the merchandise to the grantee for delivery.

(c) When a product of a manipulation or manufacture in a zone composed of or derived from privileged merchandise only, whether all foreign, or partly foreign and partly domestic, is to be transferred to customs territory otherwise than for exportation, a zone withdrawal shall be filed as prescribed in paragraph (b) of this section. There shall be filed with the withdrawal a statement in the form of an invoice containing the information specified in § 30.12 (e), and when necessary to support the withdrawal, application may be made for a certificate on zone Form F covering identification as shown by the customs records of any privileged domestic or privileged foreign merchandise used in the manipulation or manufacture.

(d) When merchandise described in paragraph (b) or (c) of this section is to be transferred to customs territory otherwise than for exportation and it is desired to pay the duties and taxes at a port other than the port in which the zone is located, the merchandise shall be withdrawn for transportation to the other port on customs Form 7512 which shall clearly indicate the status of the merchandise, and the withdrawal for consumption at the other port shall be made in the manner prescribed in paragraph (b) or (c) of this section except that customs Form 7519 shall be used. The collector at the zone port shall issue a certificate in triplicate, describing the merchandise in its present condition and certifying the amount of duties and taxes and applicable to the shipment, and the duplicate copy of such certificate shall be given to the importer to be filed with the withdrawal for consumption.

(e) When merchandise described in paragraph (b) or (c) of this section is to be transferred to customs territory for exportation, a withdrawal for exportation, or for transportation and exportation, shall be filed on customs Form 7512. Upon acceptance of the withdrawal the collector shall make a notation as to the status of the merchandise on the document, and release the merchandise to the grantee for delivery to the bonded cartman, lighterman, or carrier.

(f) When merchandise not covered by paragraph (a), (b), (c), (d), or (e) of this section, or either of the last two sentences of § 30.13 (c), is to be transferred from a zone to customs territory, the grantee shall make an application to the collector on zone Form C. The applicant shall state the name and address of the person who will be deemed the consignee of the merchandise when it is transferred to customs territory. The collector shall not accept a term application on Form C. The applicant shall also include a complete identification of the merchandise as it entered the zone, including the lot numbers, marks and numbers of the packages, status of each lot, description, and quantities. If any change in respect of any of the foregoing items of identification occurred while the merchandise was in the zone, the current information with respect to each such item which has been changed shall also be stated.

(g) Upon the approval by the collector of an application on zone Form C, the merchandise is transferred to constructive customs territory, without physical removal from the zone. The collector shall note on the application the date of such constructive transfer and the zone status of the merchandise. Merchandise so constructively transferred shall be marked or labeled with the initials "C. T.". For all customs and internal revenue purposes the merchandise shall be considered to have been imported into customs territory at the time of the constructive transfer.

(h) (1) If a customs entry for disposition in customs territory of the constructively transferred merchandise has not been filed in proper form before 5 p. m. of the second working day after the constructive transfer of the merchandise, or within such longer time as may be specified in a lay-order issued by the collector upon a written application of the grantee or designated consignee filed with the collector on customs Form 3189, and approved by the grantee if made by the consignee, the merchandise shall be deposited by the collector in general order storage. However, if it is desired to restore the merchandise to a zone status after it has been constructively transferred and before the expiration of the lay-order period specified above, a new zone Form D may be filed and the same procedure followed as though the merchandise had then first arrived in the zone from or through customs territory (§ 30.5 (d)). In such a case, the zone grantee shall be deemed the carrier which brought the merchandise to the port.

(2) As an alternative to the filing of a new zone Form D the applicant may, if he so desires, arrange for the redelivery to the collector, prior to the filing of a customs entry and prior to the expiration of the lay-order period specified above, of the grantee's original copy of the zone Form C with a request that it be cancelled.

(i) The original of zone Form C, when approved by the collector and endorsed as provided for in paragraph (g) of this

section, shall be accepted by the collector as the equivalent of a bill of lading or carrier's certificate to identify the person designated in such Form C as the consignee of the merchandise and its owner for customs purposes.

(j) When a consumption entry is accepted for zone merchandise which is in constructive customs territory, the collector shall release the merchandise to the grantee for delivery to the consignee. When any other entry is accepted for such merchandise, the release of the merchandise by the collector for physical removal to the designated destination in customs territory shall be in accordance with the customs regulations as to merchandise imported into customs territory, the zone grantee to be considered as the importing carrier.

(k) The products described in subparagraphs (1), (2), or (3) of this paragraph, upon transfer from a zone and entry for consumption, either immediately or after transportation in bond, shall be subject to appraisement and tariff classification in accordance with their character, condition, and quantity at the time of their constructive transfer to customs territory in accordance with paragraph (g) of this section, and at the rate or rates of duty and tax in force at the time a permit of delivery is issued to the designated consignee or his agent. The value of such products shall be determined in accordance with sections 402 and 503 of the Tariff Act of 1930 and the related provisions of law.

(1) Articles composed entirely of, or derived entirely from, non-privileged merchandise, foreign or domestic.

(2) Articles composed in part of, or derived in part from, non-privileged merchandise, domestic or foreign, and in part of or from privileged merchandise, domestic or foreign.

(3) Recoverable waste resulting from the manipulation or manufacture in a zone of privileged foreign merchandise. Any of the articles described in subparagraphs (1), (2), or (3) of this paragraph, except articles composed in part of, or derived in part from, privileged foreign merchandise, may be transferred from a zone for entry for warehousing, either immediately or after transportation in bond, subject to the treatment specified in the first two sentences of this paragraph. There shall be filed with each entry covering articles described in subparagraph (2) of this paragraph a statement in the form of an invoice containing the information specified in § 30.12 (e). When necessary to support the entry, application may be made for a certificate on zone Form F covering identification as shown by the customs records of any privileged domestic or privileged foreign merchandise in the articles.

(l) The consumption or warehouse entry covering a product provided for in paragraph (k) of this section shall be liquidated in accordance with Part 16 of this chapter, except that in the case of articles described in subparagraph (2) of paragraph (k) of this section adjustment shall be made for that part of the product which consists of or has been derived from privileged merchandise.

(m) Unless the Foreign-Trade Zones Board has ruled that the return of the merchandise to customs territory for domestic consumption is in the public interest, zone-restricted merchandise shall not be transferred to customs territory except under an entry for exportation or for transportation and exportation, or for destruction (except destruction of distilled spirits, wines, and fermented malt liquors), or for transfer from one zone to another. Each such entry shall be subject to the pertinent provisions of paragraphs (f) to (j), inclusive, of this section, except that if the entry has not been filed in proper form before the expiration of the period mentioned in the first sentence of paragraph (h) of this section, the merchandise shall not be deposited by the collector in general-order storage but shall be considered as having been returned from constructive customs territory to the zone. Upon acceptance of the entry, it shall be endorsed by a customs officer to show that actual exportation of the merchandise is required by the fourth proviso to section 3 of the act, as amended. If the Board has ruled that the return of the merchandise to customs territory is in the public interest, after the merchandise has been constructively transferred to customs territory it may be entered for consumption, warehousing, or immediate transportation without appraisement, unless the Board in its ruling has specified which of these forms of entry shall be made. The entry shall be endorsed by the collector to show the authority under which the entry was made and that the merchandise is subject to the provisions of paragraph 1615 (f) of the Tariff Act of 1930, as amended.

(n) Articles produced or manufactured in a zone and returned to customs territory of the United States after having been exported without first having been transferred to customs territory otherwise than for exportation or for transportation and exportation shall be subject to the duties and taxes applicable to like articles of wholly foreign origin, unless it is conclusively established that they were produced or manufactured exclusively with the use of privileged domestic merchandise, the identity of which was maintained in accordance with the pertinent provisions of these foreign-trade zone regulations, in which case they shall be subject to the pertinent provisions of paragraph 1615, Tariff Act of 1930.[11]

§ 30.15 *Direct exportation from a zone.* Regardless of its zone status, any merchandise in a zone may be exported directly therefrom upon compliance with the procedure prescribed in § 30.14 (a) for the transfer of privileged domestic merchandise to customs territory.

§ 30.16 *Supplies, equipment, and repair material for vessels or aircraft.* (a) This section tells what merchandise may be laden on a vessel or aircraft in a zone as supplies, equipment, or repair material, and the legal incidents of such lading.

(b) Inasmuch as the fourth proviso to section 3 of the act, as amended, provides that zone-restricted merchandise may be taken into a zone for the sole purpose of exportation, destruction, or storage, zone-restricted merchandise may not be laden on a vessel or aircraft for use thereon as supplies, equipment, or repair material.

(c) Although the act does not specifically authorize the lading of other merchandise as supplies, equipment, or repair material on a vessel or aircraft in a zone, such lading is considered not in conflict with the provisions of the act, provided such merchandise is subject to the same duty or tax, or exemption from duty or tax, and the same requirements which would be applicable if the merchandise were physically transferred to customs territory before the lading. Therefore merchandise other than zone-restricted merchandise may be laden on a vessel or aircraft in a zone for use thereon as supplies, equipment, or repair material as follows:

(1) Privileged domestic merchandise which has not been mixed, combined, or repacked in a zone with merchandise having a different zone status may be laden without liability for duty or tax. In order to accomplish such lading, the procedure prescribed in § 30.14 (f) and (g) shall be followed and the merchandise shall then be transferred from constructive customs territory to the vessel or aircraft in the manner prescribed in § 30.14 (a).

(2) Merchandise having a zone status, other than zone-restricted and privileged domestic merchandise covered by paragraphs (b) and (c) (1) of this section, may be so laden. In order to accomplish the lading, the procedure prescribed in § 30.14 (f) and (g) shall be followed, and the provisions of § 30.14 (h) and (i) shall be applicable. When the constructive transfer to customs territory has been accomplished, the merchandise shall thereafter be liable to or exempt from duty or tax and be subject to any other applicable provisions of sections 309 and 317, Tariff Act of 1930, as amended, I. R. C. section 3451, and §§ 10.59 to 10.65, inclusive, of this chapter as though it were imported merchandise which had remained in continuous customs custody in customs territory elsewhere than in a bonded warehouse.

§ 30.17 *Transfer of merchandise from one zone to another.* (a) The transfer of merchandise, other than privileged domestic, from a zone in one port of entry to a zone in another port shall be by bonded carrier under an entry for immediate transportation on customs Form 7512. The sending of the merchandise from the first zone into customs territory and its admission into the zone of destination shall be in accordance with § 30.14 (f) through (i) and § 30.5

[11] "* * * *Provided further*, That articles produced or manufactured in a zone and exported therefrom shall on subsequent importation into the customs territory of the United States be subject to the import laws applicable to like articles manufactured in a foreign country, except that articles produced or manufactured in a zone exclusively with the use of domestic merchandise, the identity of which has been maintained in accordance with the second proviso of this section, may, on such importation, be entered as American goods, returned." (Sec. 1, Pub. Law No. 566, 81st Cong.)

(d), respectively. All copies of the entry for immediate transportation shall bear a notation that the merchandise is being taken from the first zone for the purpose of transfer to the second zone.

(b) Upon removal of merchandise as specified in paragraph (a) of this section from the first zone, the collector in charge of the port in which such zone is located shall immediately forward to the collector in charge of the port in which the zone of destination is located a history of the merchandise as shown by the records of the first zone.

(c) The transfer of privileged domestic merchandise from one zone to another is not subject to customs control except that the removal of the merchandise from the first zone and its admission into the zone of destination shall be in accordance with §§ 30.14 (a) and 30.5 (d), respectively.

§ 30.18 *Reimbursement of customs expenses.* (a) The Commissioner of Customs will assign to each zone the necessary customs officers and guards to maintain appropriate customs control over merchandise in a zone and to protect the revenue.

(b) All necessary cost of maintaining the additional customs services required under the act and these foreign-trade zone regulations shall be reimbursed to the Government by the grantee of the zone,[35] payment to be made monthly to the collector of customs.

Notice of the proposed issuance of the above amendments to the customs regulations was published in the FEDERAL REGISTER on October 19, 1951 (16 F. R. 10699–10708), pursuant to section 4 of the Administrative Procedure Act (5 U. S. C. 1003). After consideration of all relevant data, views or arguments submitted in writing by interested persons the amendments set forth above have been adopted and shall become effective 30 days after the date of publication in the FEDERAL REGISTER.

[SEAL] FRANK DOW,
Commissioner of Customs.

Approved: May 16, 1952.

JOHN S. GRAHAM,
Acting Secretary of the Treasury.

[F. R. Doc. 52-6409; Filed, June 10, 1952; 8:56 a. m.]

[35] "* * * the cost of maintaining the additional customs service required under this act shall be paid by the operator of the zone." (Sec. 14, act of June 18, 1934; 19 U. S. C. 81n.)

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

PART 2—FREQUENCY ALLOCATIONS AND RADIO TREATY MATTERS; GENERAL RULES AND REGULATIONS

DATE AND METHOD OF ENTRY INTO FORCE OF ITU RADIO REGULATIONS (ATLANTIC CITY, 1947)

At a session of the Federal Communications Commission held at its offices in Washington, D. C. on the 28th day of May 1952;

The Commission, having under consideration the agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951), to which the United States is a signatory, and the provisions contained in that agreement with respect to the dates and method of entry into force of the International Telecommunications Union Radio Regulations (Atlantic City, 1947);

It appearing, that it would be in the public interest that the provisions of the Geneva Agreement relating to the dates and method of entry into force of the ITU Radio Regulations be set forth in the Commission's rules and regulations for the information of the Commission's licensees and the general public; and

It further appearing, that the proposed amendment is informational in character and that therefore the provisions of section 4 of the Administrative Procedure Act with respect to notice of proposed rule making are inapplicable, and that the amendment may be made effective immediately; and

It further appearing, that the amendment is issued pursuant to the authority contained in section 303 (r) of the Communications Act of 1934, as amended;

It is ordered, That, effective immediately, Part 2 of the Commission's rules and regulations is amended as set forth in Appendix B below.

(Sec. 303, 48 Stat. 1082 as amended; 47 U. S. C. 303)

FEDERAL COMMUNICATIONS COMMISSION
[SEAL] T. J. SLOWIE,
Secretary.

Released: June 4, 1952.

APPENDIX B—DATE AND METHOD OF ENTRY INTO FORCE OF THE ITU RADIO REGULATIONS (ATLANTIC CITY, 1947) LISTED IN ARTICLE 47 THEREOF AS NOT ENTERING INTO FORCE ON JANUARY 1, 1949, BASED ON PROVISIONS OF THE GENEVA AGREEMENT (AGREEMENT OF THE EXTRAORDINARY ADMINISTRATIVE RADIO CONFERENCE, GENEVA, 1951)

EXPLANATION

Admin. —Administrative.
Aero. Mbl. —Aeronautical Mobile.
At. Cty. Band —frequency band in Table of Frequency Allocations in Radio Regulations (Atlantic City, 1947)
Eff. —Effective.
exc. —except.
G. A. —Agreement signed at the ITU Extraordinary Administrative Radio Conference, Geneva, 1951.
Geneva Agreement—Agreement signed at the ITU Extraordinary Administrative Radio Conference, Geneva, 1951.
ITU —International Telecommunication Union.
KC or kc —Kilocycles per second.
MC or Mc —Megacycles per second.
MM —maritime mobile.
Region —one of the three Regions of the world designated by the ITU for purposes of frequency allocations (see 100.1 RR); Region 2 includes the Western Hemisphere.
RR —ITU Radio Regulations of Atlantic City, 1947.

NOTE: Below, items in lower case letters refer only to ITU Regions 1 or 3.

Description of the provisions of the radio regulations, Atlantic City, 1947		Date (day, month, year) and method of entry into force and remarks	Reference, G. A.
Number	Subject		
Article 2	Designation of emissions	1 March 52	204
109	Table of frequency allocations:		
	10–14 kc	Article 47 RR applies	
	14–55 kc world-wide	15 Aug. 52	171
	55–150 kc world-wide	15 Aug. 53	173, 174
	150–285 kc Region 1 African area	1 July 52	177
	150–255 kc Region 1 (exc. Afr. area).	15 Mar. 50, in accordance Copenhagen Plans, 1948.	178.1
	150–200 kc Region 2	1 Dec. 52	183
	150–200 kc Region 3	1 Feb. 53	189
	200–535 kc Region 2	1 Nov. 52	183
	200–415 kc Region 3	4 Jan. 53	189
	255–285 kc Region 1 (exc. Afr. area).	1 July 52	178
	285–315 kc Region 1 African area	1 Jan. 53	177
	285–320 kc Region 1 (exc. Afr. area).	1 Aug. 53	178
	315–405 kc Region 1 African area	1 July 52	177
	320–415 kc Region 1 (exc. Afr. area).	1 July 52	178
	405–525 kc Region 1 African area	1 May 52	177
	415–1605 kc Region 1 (exc. Afr. area).	15 Mar. 50, in accordance Copenhagen Plans, 1948.	178.1
	415–1605 kc Region 3	1 Feb. 53	189
	525–1605 kc Region 1 African area	1 Aug. 52	177
	535–1605 kc Region 2	1 Dec. 52	183
	1605–2850 kc (exc. ship freqs. other than 2182 kc) Region 1.	1 May 53	179
	1605–2850 kc ship frequencies (exc. 2182 kc) Region 1.	1 Nov. 53	179
	1605–2000 kc Region 2	1 Jan. 52	183
	1605–2850 kc (exc. ship stns.) Region 3.	1 Feb. 53	189
	1605–2850 kc ship stations (exc. 2182 kc) Region 3.	30 Apr. 53	189
	2000–2850 kc Region 2	Eff. date to be determined per 1076.1 RR	185
	2182 kc world-wide	Per 148 RR, shall be brought into effect 0200 GMT 1 May 53.	192
	2850–3950 kc Region 1	Eff. date to be determined by Admin. Radio Conference.	180
	2850–4000 kc Region 2	Eff. date to be determined by Admin. Radio Conference.	186
	2850–3950 kc Region 3	Eff. date to be determined by Admin. Radio Conference.	190
	3950–27,500 kc Region 1	Eff. date to be fixed by Admin. Radio Conference.	176
	3950–27,500 kc Region 3	Eff. date to be fixed by Admin. Radio Conference.	170
	4000–27,500 kc Region 2	Eff. date to be fixed by Admin. Radio Conference.	170

Description of the provisions of the radio regulations, Atlantic City, 1947		Date (day, month, year) and method of entry into force and remarks	Reference, G. A.
Number	Subject		
	New international frequency list:		
	10-14 kc	Article 47 RR applies	
	14-55 kc World-Wide	15 Aug. 52	171
	55-150 kc Region 1	15 Aug. 53; navigation aid assignments per 111 and 113 RR may be prior, by special arrangements.	173
	55-150 kc Region 2	15 Aug. 52; see 175 G. A. relating to interference to Region 1 between 15 Aug. 52 and 15 Aug. 53.	174, 175
	55-150 kc Region 3	15 Aug. 52; see 175 G. A. relating to interference to Region 1 between 15 Aug. 52 and 15 Aug. 53.	174, 175
	150-255 kc Region 1 African area	1 July 52; start movement to assignments 1 May 52.	177
	150-255 kc Region 1 (exc. Afr. area).	15 Mar. 50, in accordance Copenhagen Plans, 1948.	178.1
	150-200 kc Region 2	1 Dec. 52	183
	150-200 kc Region 3	1 Feb. 53; start movement to assignments 1 Dec. 52.	189
	200-535 kc Region 2	1 Nov. 52	183
	200-415 kc Region 3	4 Jan. 53; move to assignments 1400 GMT 4 Jan. 53.	189
	255-285 kc Region 1 African Area	1 July 52	177
	255-285 kc Region 1 (exc. Afr. area).	1 July 52; some assignments eff. 15 Mar. 50	178, 178.1
	285-315 kc Region 1 African area	1 Jan. 53	177
	285-320 kc Region 1 (exc. Afr. area).	1 Aug. 53; move to assignments 1 Aug. 53; some assignments eff. 15 Mar. 50 (Copenhagen Plans, 1948).	178, 178.1
	315-405 kc Region 1 African area	1 July 52	177
	320-415 kc Region 1 (exc. Afr. area).	1 July 52; some assignments effective 15 Mar. 50 (Copenhagen Plans, 1948).	178, 178.1
	405-525 kc Region 1 African area	1 May 52; move to assignments at 0200 GMT May 1, 1952.	177
	415-1605 kc Region 1 (exc. Afr. area).	15 Mar. 50; in accordance Copenhagen Plans, 1948.	178, 178.1
	415-535 kc Region 3	1 Feb. 53; move to assignments 1400 GMT 1 Feb. 53.	189
	525-1605 kc Region 1 African area.	1 Aug. 52; start movement to assignment 1 May 52.	177
	535-1605 kc Region 2	1 Dec. 52	183
	535-1605 kc Region 3	1 Feb. 53; start move to assignments 1 Dec. 52.	189
	1605-2850 kc (exc. ship freqs. other than 2182 kc) Region 1	1 May 53; move to assignments 0200 GMT 1 May 53; 2182 kc effective per Article 24 G. A.	179, 192
	1605-2850 kc ship frequencies (exc. 2182 kc) Region 1.	1 Nov. 53; start movement to assignments 1 May 53.	179
	1605-2000 kc Region 2	1 Jan. 52	183
	1605-2850 kc (exc. ship stations) Region 3	1 Feb. 53; coast stations move to assignments 1400 GMT 1 Feb. 53; others start move 1 Dec. 52.	189
	1605-2850 kc ship stations (exc. 2182 kc) Region 3.	30 Apr. 53; start movement to assignments (exc. 2182 kc) 1 Dec. 52.	189
	2000-2850 kc Region 2	Eff. date tobe determined per 1076.1 RR; move to assignments per coordinated program, G. A.	184, 185
	2182 kc Region 3	Brought into use in accordance Art. 24 G. A. at 0200 GMT 1 May 53.	189
	2850-3900 kc Region 1	Eff. date to be determined by Admin. Radio Conference; start move to assignments 1 May 52.	180, 181
	2850-4,000 kc Region 2	Eff. date to be determined by Admin. Radio Conference; move to assignments per program, G. A.	186, 187
	2850-3,900 kc Region 3	Eff. date to be determined by Admin. Radio Conference; start movement to assignments 1 Feb. 53.	190, 191
	3900-27,500 kc Region 1	Eff. date to be fixed by Admin. Radio Conference.	170
	3900-27,500 kc Region 3	Eff. date to be fixed by Admin. Radio Conference.	170
	4000-27,500 kc Regioh 2	Eff. date to be fixed by Admin. Radio Conference.	170
Article 10	Notification and registration of frequencies: IFRB—General.	1 Mar. 52	204

Description of the provisions of the radio regulations, Atlantic City, 1947		Date (day, month, year) and method of entry into force and remarks	Reference, G. A.
Number	Subject		
309-351	Procedure in connection with IFRB—Notifiestion and registration:		
	10-14 kc	This band not mentioned in Geneva agreement.	
	14-55 kc World-wide	15 Aug. 52	205
	55-150 kc World-wide	15 Aug. 53	205
	150-285 kc Region 1 African area	1 July 52	205
	150-255 kc Region 1 (exc. Afr. area).	No date in Geneva Agreement; see 207 G. A. re Interim Procedures.	
	150-200 kc Region 2	1 Dec. 52	205
	150-200 kc Region 3	2 Feb. 53	205
	200-535 kc Region 2	1 Nov. 52	205
	200-415 kc Region 3	4 Jan. 53	205
	255-285 kc Region 1 (exc. Afr. area).	1 July 52	205
	285-315 kc Region 1 African area	1 Jan. 53	205
	285-320 kc (exc. Afr. area)	1 Aug. 53	205
	315-405 kc Region 1 African area	1 July 52	205
	320-415 kc Region 1 (exc. Afr. area).	1 July 52	205
	405-525 kc Region 1 African area	1 May 52	205
	415-1605 kc Region 1 (exc. Afr. area).	No date in Geneva Agreement; see 207 G. A. re Interim Procedures.	
	415-1605 kc Region 3	1 Feb. 53	205
	525-1605 kc Region 1 African area.	1 Aug. 52	205
	535-1605 kc Region 2	No date in Geneva Agreement; Interim Procedures 210-279 G. A. apply.	207
	1605-2850 kc Region 1	1 Nov. 53	205
	1605-2000 kc Region 2	1 Jan. 52	205
	1605-2850 kc Region 3	30 Apr. 53	205
	2000-27,500 kc Region 2	No date in Geneva Agreement; Interim Procedures 210-279 G. A. apply.	207
	2850-27,500 kc Region 1	No date in Geneva Agreement; Interim Procedures 210-279 G. A. apply.	207
	2850-27,500 kc Region 3	No date in Geneva Agreement; Interim Procedures 210-279 G. A. apply.	207
	27,500 kc and up, World-wide	Interim procedures for this band contained in 210-279 G. A.	210-279
352-361	Procedure in connection with the IFRB—Studies and Records	1 Mar. 52	204
Article 12	Internal regulations of the IFRB	1 Mar. 52	204
Article 17	Quality of emissions	1 Mar. 52 (with modifications to Appendix 3 described below)	204
Article 20 (exc. 447, 448, 470).	Service documents	1 Mar. 52	204
447, 448, 470	Service documents	Superseded by 280-285 G. A.	280-285
573	Conditions to be observed by mobile stations—General.	As from date when each station commences operation in the appropriate Atlantic City band.	204
574-580	Conditions to be observed by mobile stations—General.	1 Mar. 52	204
581	Conditions to be observed by mobile stations—Ships.	As from date when each station commences operations in the appropriate Atlantic City band, except for ship stations between 1605 and 4000 kc in Region 1, for which 581 shall not come into force.	204
582	Conditions to be observed by mobile stations—Ships	As from date of entry into force of appropriate Atlantic City bands.	204
583-588	Conditions to be observed by mobile stations—Ships.	1 Mar. 52	204
589	Conditions to be observed by mobile stations—Ships.	1 May 53	204
590-594	Conditions to be observed by mobile stations—Ships.	As from date when each station commences operation in appropriate Atlantic City bands.	204
595-599	Conditions to be observed by mobile stations—Ships and Aircraft.	1 Mar. 52	204
600 (1st sentence)	Conditions to be observed by mobile stations—Survival Craft.	1 Mar. 52	204
600 (2d sentence)	Conditions to be observed by mobile stations—Survival Craft.	Same dates as calling bands App. 10; dates to be agreed per procedure 130, 134 and 138 Gen. Agr.	204, 301
601	Conditions to be observed by mobile stations—Survival Craft.	1 Mar. 52	204
621	General radiotelegraph procedure in MM and AERO MBL Services.	As from date when each station commences operation in appropriate Atlantic City band.	204

Description of the provisions of the radio regulations, Atlantic City, 1947		Date (day, month, year) and method of entry into force and remarks	Reference, G. A.
Number	Subject		
711–724	Use of frequencies for radiotelegraphy in MM and AERO MBL Services.	1 Mar. 53	294
725 (1st sentence)	Use of frequencies for radiotelegraphy in MM and AERO MBL Services.	1 Mar. 52	294
725 (2d sentence)	Use of frequencies for radiotelegraphy in MM and AERO MBL Services.	Dates specified in 176–191 G. A. for entry into force of appropriate band (see 109 RR above).	294
726–729	Use of frequencies for radiotelegraphy in MM and AERO MBL Services.	1 Mar. 52	294
730–732	Use of frequencies for radiotelegraphy in MM and AERO MBL Services.	Dates specified in 176–191 G. A. for entry into force of appropriate band (see 109 RR above).	294
733–754	Use of frequencies for radiotelegraphy in MM and Aero MBL Services.	1 Mar. 52	294
755–763	Use of frequencies for radiotelegraphy in MM and Aero MBL Services.	Same date as appropriate band App. 10; date to be agreed per procedure 130, 134 and 138 G. A.	294, 301
764–767	Use of frequencies for radiotelegraphy in MM and Aero MBL Services.	1 Mar. 52	294
768	Use of frequencies for radiotelegraphy in MM and Aero MBL Services.	Same date as appropriate band App. 10; date to be agreed per procedure 130, 134 and 138 G. A.	294, 301
769, 770	Use of frequencies for radiotelegraphy in MM and Aero MBL Services.	1 Mar. 52	294
771, 772	Use of frequencies for radiotelegraphy in MM and Aero MBL Services.	Same date as appropriate band App. 10; date to be agreed per procedure 130, 134 and 138 G. A.	294, 301
773	Use of frequencies for radiotelegraphy in MM and Aero MBL Services.	1 Mar. 52	294
774	Use of frequencies for radiotelegraphy in MM and Aero MBL Services.	As from date when each coast station commences operations in appropriate Atlantic City bands.	294
775–800	Use of frequencies for radiotelegraphy in MM and Aero MBL Services.	Same dates as calling bands App. 10; dates to be agreed per procedure 130, 134 and 138 G. A.	294, 301
801–803	Use of frequencies for radiotelegraphy in MM and Aero MBL Services.	1 Mar. 52	294
804–812	MM Radiotelephone Service	1 Mar. 52	294
813–827	MM Radiotelephone Service	1 May 53	294
828, 829	MM Radiotelephone Service	As from date when each station commences operations appropriate Atlantic City bands.	294
830–834	MM Radiotelephone Service	1 Mar. 52	294
869	Distress traffic	1 May 53	294
1025	Radio direction finding stations	Dates specified in 176–191 G. A. for entry into force of appropriate band (see 109 RR above).	294
1032	Radiobeacon stations	Dates specified in 176–191 G. A. for entry into force of appropriate band (see 109 RR above).	294
APPENDIX 1	Form of notice for notifying to IFRB	No date in G. A.: This appendix mentioned 309–352 RR which are listed above.	
APPENDIX 3	Table of frequency tolerances (as modified by 296–299 Gen. Agr.).	1 Mar. 52	296–299
APPENDIX 4	Table of tolerances for intensity of Harmonics and Parasitics	1 Mar. 52	300
APPENDIX 5	Band of frequencies required for radiocommunication.	1 Mar. 52	300
APPENDIX 6	Service documents	No date in G. A.: This appendix mentioned in 205, 224, 269, 280 G. A.	
APPENDIX 7	Service documents symbols	1 Mar. 52	300
APPENDIX 8	Documents with which ship and aircraft stations must be provided.	1 Mar. 52	300
APPENDIX 10	Frequencies assignable to ship radiotelegraph stations 4–23 Mc.	Appropriate parts App. 10 RR to be in force on dates agreed per 130, 134 and 138 G. A.	301
APPENDIX 12	Channeling of MM Radiotelephone bands 4–23 MC (as modified by 302 G. A.).	Date to be agreed per procedure in 142–145 G. A.	302, 303

[F. R. Doc. 52-6386; Filed, June 10, 1952; 8:50 a. m.]

TITLE 36—PARKS, FORESTS, AND MEMORIALS

Chapter I—National Park Service, Department of the Interior

PART 20—SPECIAL REGULATIONS

BIG BEND NATIONAL PARK

Section 20.41, entitled *Big Bend National Park*, is amended by the addition of a new paragraph (d), reading as follows:

(d) *Speed.* The maximum speed of automobiles and other vehicles, except ambulances and Government cars on emergency trips, shall not exceed the following prescribed limits:

(1) In residential areas, as posted.

(2) On the Basin road from Santa Elena Junction to the Basin, as posted.

(3) On all curves and grades where so posted, 15 miles per hour.

(4) Trucks of two and one-half tons capacity or over, 35 miles per hour.

(5) Cars towing trailers or other cars or vehicles of any kind, 35 miles per hour.

(6) Passenger cars and trucks of less than two and one-half tons capacity, 45 miles per hour on straight and open stretches.

(39 Stat. 535; 16 U. S. C. 3)

Issued this 5th day of June 1952.

ROBERT R. ROSE, Jr.,
Assistant Secretary of the Interior.

[F. R. Doc. 52-6373; Filed, June 10, 1952; 8:46 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 36—SERVICEMEN'S READJUSTMENT ACT OF 1944

SUBPART A—TITLE III; LOAN GUARANTY

REAL ESTATE LOAN CREDIT RESTRICTIONS; DIRECT LOAN CLOSING EXPENSES

1. In § 36.4356, paragraphs (a) and (h) are amended to read as follows:

§ 36.4356 *Credit restrictions.* (a) No loan for the purchase, construction, repair, alteration, or improvement of residential property will be eligible for guaranty or insurance unless the veteran makes a down payment in cash or its equivalent (e. g., equity in land) of an amount which when related to the sales price or transaction price will not be less than that specified in the following schedules:

	Minimum down payment
Sales price (applicable if sales price is $12,000 or less):	
Not more than $2,500	None.
More than $2,500 but not more than $7,000.	Closing costs, but not to exceed 4 percent of sales price.
More than $7,000 but not more than $10,000.	$280 plus 10 percent of sales price in excess of $7,000.
More than $10,000 but not more than $12,000.	$580 plus 16 percent of sales price in excess of $10,000.
Transaction price (applicable if sales price exceeds $12,000):	
More than $12,000 but not more than $16,000.	$900 plus 55 percent of transaction price in excess of $12,000.
More than $16,000 but not more than $21,000.	$3,100 plus 57 percent of transaction price in excess of $16,000.
More than $21,000 but not more than $25,000.	$5,950 plus 70 percent of transaction price in excess of $21,000.
Over $25,000	35 percent of transaction price.

For the purpose of determining transaction price, the costs of closing the loan or financing the transaction shall be added to the sales price, i. e., the purchase price or to the cost of construction, repairs, alterations, or improvements. The minimum down payment prescribed in this paragraph may in all instances be used to pay such closing costs: *Provided*, That the pro rata portion of the ground rents, hazard insurance premiums, current year's taxes, and other prepaid items required to be paid by the borrower incidental to closing the transaction will not be treated as closing costs but must be paid in cash by the borrower in addi-

tion to the down payment. With respect to construction loans in cases where the land is owned by the veteran, the sales price or transaction price will include the reasonable value of the land, which in the case of farm housing shall be deemed, for the purpose of this paragraph, to be 5 percent of the cost of construction, and the value of the veteran's interest in the land will pro tanto satisfy the down payment requirement.

* * * * *

(h) If the loan is related to the purchase of residential property and the repair, alteration or improvement thereof, the down payment will be determinable in the same manner as though separate loans were being made, one to cover the purchase of the property and the other the repairs, alterations or improvements, and the maximum maturity shall not exceed that which would be permissible if the larger component were being financed separately.

2. In § 36.4504, paragraph (e) is amended and a new paragraph (h) is added as follows:

§ 36.4504 *Loan closing expenses.*

* * *

(e) The veteran will be required to make a down payment in cash or its equivalent (e. g., equity in land) of an amount which when related to the sales price or transaction price will not be less than that specified in the following schedules:

	Minimum down payment
Sales price (applicable if sales price is $12,000 or less):	
Not more than $2,500	None.
More than $2,500 but not more than $7,000.	Closing costs, but not to exceed 4 percent of sales price.
More than $7,000 but not more than $10,000.	$280 plus 10 percent of sales price in excess of $7,000.
More than $10,000 but not more than $12,000.	$580 plus 16 percent of sales price in excess of $10,000.
Transaction price (applicable if sales price exceeds $12,000):	
More than $12,000 but not more than $16,000.	$900 plus 55 percent of transaction price in excess of $12,000.
More than $16,000 but not more than $21,000.	$3,100 plus 57 percent of transaction price in excess of $16,000.
More than $21,000 but not more than $25,000.	$5,950 plus 70 percent of transaction price in excess of $21,000.
Over $25,000	35 percent of transaction price.

For the purpose of determining transaction price, the costs of closing the loan or financing the transaction shall be added to the sales price, i. e., the purchase price or to the cost of the construction, repairs, alterations, or improvements. The minimum down payment prescribed in this paragraph may in all instances be used to pay such closing costs: *Provided*, That the pro rata portion of the ground rents, hazard insurance premiums, current year's taxes, and other prepaid items required to be paid by the borrower incident to closing the transaction will not be treated as closing costs but must be paid in cash by the borrower in addition to the down payment. The above down payment requirements of this paragraph shall not be applicable with respect to loans which if made on a guaranteed or insured basis would be relieved of the credit restrictions under the provisions of § 36.4356 (e). With respect to construction loans in cases where the land is owned by the veteran, the transaction price will include the reasonable value of the land, which in the case of farm housing shall be deemed, for the purposes of this paragraph, to be 5 percent of the cost of construction, and the value of the veteran's interest in the land will pro tanto satisfy the down payment requirement: *And provided further*, That in connection with such loans the veteran, in addition to the required down payment, will deposit with Veterans' Administration or in an escrow satisfactory to Veterans Administration 10 percent of the estimated cost of construction or such alternative sum, in cash or its equivalent, as Veterans Administration may determine to be necessary, in order to afford adequate assurance that sufficient funds will be available, from the proceeds of the loan or from other sources, to assure completion to the construction in accordance with the plans and specifications upon which Veterans Administration based its loan commitment.

* * * * *

(h) If the loan in related to the purchase of residential property and the repair, alteration or improvement thereof, the down payment will be determinable in the same manner as though separate loans were being made, one to cover the purchase of the property and the other the repairs, alterations, or improvements, and the maximum maturity shall not exceed that which would be permissible if the larger component were being financed separately.

(Sec. 504, 58 Stat. 293, as amended; 38 U. S. C. 694d)

This regulation effective June 11, 1952.

[SEAL] O. W. CLARK,
Deputy Administrator.

Credit Restrictions Pursuant to the Defense Production Act of 1950, as Amended, Loans Made or Assisted by the Administrator of Veterans' Affairs.

I hereby find that the regulations contained in Title 38, Chapter I, §§ 36.4356 (a) and (h), and 36.4504 (e) and (h), regulations of the Administrator of Veterans' Affairs, *supra*, effective concurrently herewith, are issued in accordance with Title VI of the Defense Production Act of 1950 (Pub. Law 774, 81st Cong.), as amended, and Part V of Executive Order 10161 (15 F. R. 6105). In the formulation of the aforegoing there has been consultation with industry representatives, and consideration has been given to the recommendations of such representatives.

(Title VI, 64 Stat. 812, as amended; 50 U. S. C. App. Sup. 2131-2135. E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR 1950 Supp.)

Effective as of the 11th day of June, 1952.

[SEAL] B. T. FITZPATRICK,
Acting Housing and Home Finance Administrator.

[F. R. Doc. 52-6473; Filed, June 10, 1952; 11:14 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 25—GENERAL PROVISIONS RELATING TO POST OFFICES

HOLIDAYS

EDITORIAL NOTE: For order superseding Executive Order 9636, cited in § 25.7 relating to holidays, see Executive Order 10358, *supra*.

PROPOSED RULE MAKING

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[50 CFR Parts 7, 9]

IMPORTATION OF FOREIGN WILD ANIMALS, AND WILD BIRDS AND THEIR EGGS

PROHIBITED SPECIES AND EXCEPTIONS; COMPLIANCE WITH OTHER REGULATIONS

Pursuant to section 4 (a) of the Administrative Procedure Act, approved June 11, 1946 (60 Stat. 237), and the authority contained in the provisions of 18 U. S. C. Supp. IV, 42 and 19 U. S. C. 1201, notice is hereby given that the Secretary of the Interior proposes to take the following action:

To repeal the provisions of § 7.11, 50 CFR, relating to the importation of certain game-bird eggs and to adopt the following regulations as §§ 9.1 and 9.2 of 50 CFR:

§ 9.1 *Prohibited species and exceptions.* In accordance with the provisions of 18 U. S. C. Supp. IV, 42 which prohibit the importation into the United States, or any Territory or district thereof, of the mongoose, the so-called "flying foxes" or fruit bats, the English sparrow, the starling, "and such other birds and animals as the Secretary of the Interior may declare to be injurious to the interests of agriculture or horticulture," and the provisions of 19 U. S. C. 1201, para-

graph 1671, which prohibit the importation of the eggs of wild birds except those of game birds for propagating purposes, I have determined and hereby declare that in addition to those named in the statutes the following also are subject to the prohibitions against importation:

(a) Mynahs and all other members of the starling family, Sturnidae, except those for exhibition in zoological parks.

(b) All other wild birds and their eggs except:

(1) Game birds and their eggs for propagation and stocking purposes, and for exhibition in zoological parks.

(2) Non-game birds which are to be confined in cages or otherwise, and for exhibition in zoological parks.

(c) European rabbit, Lepus cuniculus, and European hare Lepus europaeus, except that such animals may be permitted entry for fur farming and other agricultural purposes, if such animals are to be kept in confinement.

(d) With respect to any importations permitted under the exceptions in paragraphs (a), (b), and (c) of this section the importer thereof must file with the Collector of Customs an affidavit to the effect that the birds or their eggs, or the European rabbits and hares are to be used for propagation purposes, confined to cages, exhibited in zoological parks, or used for fur farming and other agricultural purposes, as the case may be.

(e) None of the provisions of paragraphs (a), (b), and (c) of this section shall apply to migratory birds or their eggs the importation of which is governed by regulations in Part 6 of this subchapter or to the importations of natural history specimens, dead or alive, for museums or scientific collections in accordance with the provisions of 18 U. S. C. Supp. IV, 42.

§ 9.2 *Compliance with other regulations.* Any importation permitted by § 9.1, is also subject to any applicable health, quarantine, agriculture, customs, or other requirements imposed by law or by regulations of duly authorized Federal or State agencies and municipalities.

The public is hereby invited to participate in the preparation of the amended regulations to be adopted as set forth above, by submitting their views, data, or arguments in writing to Albert M. Day, Director, Fish and Wildlife Service, Washington 25, D. C., on or before June 26, 1952.

Date: June 5, 1952.

ROBERT R. ROSE, Jr.,
Assistant Secretary of the Interior.

[F. R. Doc. 52-6374; Filed, June 10, 1952; 8:46 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 2]

[Docket No. 10211]

FREQUENCY ALLOCATIONS AND RADIO TREATY MATTERS; GENERAL RULES AND REGULATIONS

NOTICE OF PROPOSED RULE MAKING

In the matter of amendment of Part 2 of the Commission's rules and regulations concerning frequencies in the bands 2000–3500 kc and 25,850–26,100 kc; Docket No. 10211.

1. Notice is hereby given of proposed rule making in the above entitled matter.

2. On March 19, 1952, the Commission amended Part 2 of its rules and regulations by the adoption of a table of frequency allocations for the band between 10 and 25,000 kc.

3. In the table of frequency allocations between 2000 and 3500 kc, frequencies within the following bands are shown as being available for frequency assignments to remote pickup base and remote pickup mobile stations:

2107–2170 kc.
2194–2495 kc.
2505–2850 kc.
3155–3400 kc.

4. In the Atlantic City table of frequency allocations, the band 25.6–26.1 mc is allocated to the Broadcasting Service. The United States allocation of this band is:

25.6–25.85 mc, Government.
25.85–26.1 mc, Non-Government: International Broadcasting.

5. The Commission proposes to amend § 2.104 (a) of Part 2 of its rules and regulations by deleting the provisions permitting remote pickup stations to operate on frequencies in the band 2000–3500 kc. It is proposed to make this amendment effective May 1, 1953, in order to allow a reasonable time for modification or amortization of equipment.

6. It is further proposed to amend the Table of Frequency Allocations, § 2.104 (a) in Part 2 of the Commission's rules by appending to the frequency band 25.85–26.1 mc in column 7, footnotes NG22 and NG32, the new footnote NG32 to read as follows:

NG32 The use of frequencies in the band 25.85–26.1 mc may be authorized in any area to Remote Pickup Broadcast base and mobile stations on the condition that harmful interference is not caused to the broadcasting service.

7. At an early date the Commission proposes to amend Part 4 of its rules relating to remote pickup stations to make provision for the use of band 25.85–26.1 mc by such stations.

8. The proposed amendment to the rules is issued under the authority of sections 303 (c), (f), and (r) of the Communications Act of 1934, as amended.

9. Any interested person who is of the opinion that the proposed amendment should not be adopted may file with the Commission on or before July 15, 1952, a written statement or brief setting forth his comments. Persons desiring to support the amendment may also file comments by the same date. Replies to the original briefs and comments may be filed by July 30, 1952. The Commission will consider all comments and briefs presented before taking final action with respect to the proposed amendment.

10. Fifteen copies of each brief or written statement should be filed as required by § 1.764 of the Commission's rules and regulations.

Adopted: May 28, 1952.

Released: May 29, 1952.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 52-6383; Filed, June 10, 1952; 8:49 a. m.]

[47 CFR Part 2]

[Docket No. 10212]

FREQUENCY ALLOCATIONS AND RADIO TREATY MATTERS; GENERAL RULES AND REGULATIONS

NOTICE OF PROPOSED RULE MAKING

In the matter of amendment of Part 2 of the Commission's rules and regulations concerning the allocation of frequencies in the Band 2035–2107 kc; Docket No. 10212.

1. Notice is hereby given of proposed rule making in the above entitled matter.

2. In accordance with the Agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951) the Commission is instituting proceedings to modify the authorizations of certain stations operating in the 2035–2107 kc band of frequencies so as to bring all authorizations in these bands into conformity with the Atlantic City (1947) Table of Frequency Allocations and the Region 2 List. It is therefore proposed to amend the Commission's Table of Frequency Allocations in § 2.104 (a) of the Commission's rules to provide that, as of July 15, 1952, frequencies in this band will be available for use only in accordance with the Atlantic City Table of Frequency Allocations.

3. The proposed amendment is issued under authority of sections 301, 303 (c) and 303 (r) of the Communications Act of 1934, as amended.

4. Any interested party who is of the opinion that the proposed rule should not be adopted or should not be adopted in the form set forth herein may file with the Commission, on or before June 20, 1952, a written statement or brief setting forth his comments. Replies to the original comments may be filed by June 30, 1952. The Commission will consider all comments that are received before taking final action in the matter.

5. In accordance with the provisions of §1.764 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs or comments filed shall be furnished the Commission.

Adopted: May 28, 1952.

Released: June 2, 1952.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 52-6384; Filed, June 10, 1952; 8:49 a. m.]

[47 CFR Parts 7, 8]

[Docket No. 10207]

STATIONS ON LAND IN THE MARITIME SERVICES, STATIONS ON SHIPBOARD IN THE MARITIME SERVICES

NOTICE OF PROPOSED RULE MAKING

In the matter of amendment of §§ 7.365 and 8.362 of the Commission's rules; Docket No. 10207.

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. Sections 7.365 and 8.362 presently make available for assignment to limited coast stations and ship stations for communication with limited coast stations the frequencies 2738 kc and 2214 kc provided certain conditions are met. One of these conditions is that a showing must be made of necessity of use of these frequencies in lieu of a frequency above 30 Mc. Applications for limited coast stations have been received which purport to make such a showing on the basis of the fact that despite the short range nature of the communications desired, assignment of a 2 Mc frequency is necessary because the ships involved are not under the control of the applicant and are not equipped to operate on frequencies above 30 Mc. Accordingly, it is proposed to amend §§ 7.365 and 8.362 to make clear that these frequencies will not be assigned in any instance where they are proposed to be used for communications which are primarily short distance in nature.

3. This proposed amendment is issued under authority contained in sections 303 (a) (b) (c) (f) and (r) or the Communications Act of 1934, as amended.

4. Any interested person who is of the opinion that the proposed amendments should not be adopted, or not adopted in the form set forth, may file with the Commission on or before June 30, 1952, a written statement or brief setting forth his comments. At the same time, any person who favors the rules as set forth may file a written statement in support thereof. Comments or briefs in reply to the original comments or briefs may be filed within 15 days from the last day for filing said original comments or briefs. The Commission will consider all comments, briefs, and statements presented before taking final action in the matter. If any comments are received which appear to warrant the Commission in holding an oral argument before final action is taken, notice of the time and place of such oral argument will be given.

5. In accordance with the provisions of § 1.764 of the Commission's rules, an original and six copies of statements, briefs or comments filed shall be furnished to the Commission.

Adopted: May 28, 1952.

Released: May 29, 1952.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

1. Amend § 7.365 by adding a new paragraph (c) to read as follows:

§ 7.365 *Frequencies below 3000 KC for business and operational purposes.* * * *

(c) In no event, however, shall the carrier frequencies 2738 kc and 2214 kc be available for assignment under this section in any instance in which the communications desired are over distances for which frequencies above 30 Mc may be suitable.

2. Amend § 8.362 by redesignating paragraph (c) as paragraph (d) and adding a new paragraph (c) to read as follows:

§ 8.362 *Frequencies below 3000 kc for business and operational purposes.* * * *

(c) In no event, however, shall the carrier frequencies 2738 kc and 2214 kc be available for assignment under this section in any instance in which the communications desired are over distances for which frequencies above 30 Mc may be suitable.

[F. R. Doc. 52-6381; Filed, June 10, 1952; 8:48 a. m.]

[47 CFR Parts 7, 8, 14]

[Docket No. 10213]

SHIP-SHORE SERVICE USING TELEGRAPHY IN BAND 2035–2107 KC.

NOTICE OF PROPOSED RULE MAKING

In the matter of amendment of Parts 7, 8 and 14 of the Commission's rules to provide for the establishment of ship-shore service using telegraphy in the band 2035–2107 kc.; Docket No. 10213.

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. Under the agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951) new frequencies in the band 2035–2107 kc. become available for assignment to coast and ship stations using telegraphy in Region 2. In order to expedite the inauguration of this service, it is proposed to make these new frequencies available under the rules (Parts 7, 8, 14) governing coast and ship stations even though clearance of this frequency band by current users, government and non-government, has not been completed. Pending such clearance, assignment of the new frequencies is proposed to be made on a "day only" basis on condition that no harmful interference is caused to existing users.

3. The substance of the proposed amendments is contained in the appendix attached hereto and they are issued under authority of sections 303(c), (f) and (r) of the Communications Act of 1934, as amended.

4. Any interested person who is of the opinion that the proposed amendments should not be adopted or should not be adopted in the forms set forth may file with the Commission on or before June 20, 1952, a written statement setting forth his comments. Comments and replies to the original comments may be filed within 10 days thereafter. The Commission will consider all comments filed before taking action in this matter.

5. It is requested that persons who plan to make application for assignment of the new frequencies for use at coast stations if and when these proposals are finalized so indicate within the comment period designated above by voluntarily filing for the information of the Commission an informal statement of such intention. Failure to file such statement, however, will in no way prejudice the right of any person formally to file such application at a later date.

6. In accordance with the provisions of § 1.764 of the Commission's rules and regulations, an original and 14 copies of statements or comments shall be furnished the Commission.

Adopted: May 28, 1952.

Released: June 4, 1952.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

1. Section 7.132 (a) (1) is amended as follows:

Insert in numerical order under item (1) in the table of paragraph (a) the frequency band and class of emission as follows:

2035 to 2065 kc	A1 and for brief testing A0

2. Section 7.134 (b) is amended by inserting in numerical order in the table expressing transmitter power the following frequency band and associated power:

2035 kc to 2065 kc	6.6

3. Section 7.206 (a) is amended by adding the following frequencies in kilocycles and respective coast station locations to the list of assignable frequencies for use by coast stations (public or limited) employing telegraphy:

Frequency (kc):	*For assignment to coast stations located primarily in [1] or in the vicinity of [2]*
2036	[1] Barnstable County, Mass.
2037.5	[2] San Francisco, Calif.
2039	[1] Florida (between latitudes 25° and 29°).
2040.5	[2] Boston, Mass.
2042	[1] Texas (last of longitude 96°; south of latitude 31°).
2043.5	[2] Savannah, Ga.
2045	[2] San Francisco, Calif.
2046.5	[2] New York, N. Y.
2048	[2] New Orleans, La.
2049.5	[1] Florida (between latitudes 25° and 29°). [2] Los Angeles, Calif.
2051	[2] Jacksonville, Fla. [2] New York, N. Y.
2052.5	[1] Hawaiian Islands. [1] Puerto Rico. [1] Texas and Louisiana (between longitudes 92° and 95°; south of latitude 31°).
2054	[1] New Jersey (south of latitude 40°; east of longitude 74°, 30').
2055.5	[2] Mobile, Ala. [2] Los Angeles, Calif.
2057	[1] Florida (between latitudes 25° and 29°).
2058.5	[1] Grays Harbor and Pacific Counties, State of Washington.
2060	[1] State of New York (east of longitude 73°).
2061.5	[2] San Francisco, Calif.
2063	[2] Baltimore, Md. [2] Seattle, Wash.

4. Section 7.206 (b) is amended by adding a new subparagraph (10) to read as follows:

(10) Pending clearance of the band 2035–2107 kc in accordance with the Agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951) each of the assignable frequencies designated in paragraph (a) of this section within the band 2035 to 2065 kc inclusive may be authorized for use by coast stations on a "day only" basis upon the express condition that harmful interference will not be caused to stations either Government or non-Government authorized as of (effective date of this rule amendment to be inserted) to operate on any frequency or frequencies within the band 2035–2107 kc.

5. Section 7.207 is amended by adding a new paragraph (e) to read as follows:

(e) The normal calling frequency to be used by each coast station employing telegraphy when operating in the band 2035–2065 kc is its normal working frequency in this band. In addition to the transmission on the authorized working frequency in this band, coast stations may transmit on any frequency within the ship station calling band 2088.5 to 2093.5 kc for transmission of distress traffic exclusively.

6. Section 8.131 (b) is amended as follows:

Change the text of item (5) under table entitled "Frequency ranges" to read as follows:

(5) For emergency transmitters intended for use solely in lifeboats or other survival craft to be used on the telephone distress frequency 2182 kc or on the telegraph calling frequency 2091 kc.----------

7. Section 8.132 (a) is amended as follows:

Insert in item (1) under table entitled "Frequency band and classes of emission authorized" a new entry, in numerical order, to read:

2065–2107 kc..	A1 and for brief testing A0; except for stations on board survival craft which may use, in addition, class A2 emission.

8. Section 8.321 (a) is amended as follows:

a. Designate as subparagraph (1) all of the text preceding that portion which reads as follows: "Except as may be otherwise specified herein * * * for communication with coast stations."

b. Designate the latter portion as subparagraph (6).

c. In the designated subparagraph (1), change that portion of the text which reads "hereinafter designated in this paragraph" to read "designated in this subparagraph."

d. Add subparagraph (2) to read:

(2) Each of the specific frequencies in kilocycles designated in this subparagraph may be authorized as an assigned working frequency exclusively for use by ship stations (public or limited) on board passenger ships and by aircraft stations for communication with stations of the Maritime Mobile Service (except that frequencies below 4000 kc are not assignable to aircraft stations), when such ship and aircraft stations employ telegraphy in accordance with the provisions of Subpart E of this part: *Provided*, That subsequent to a specific date designated by the Commission, these frequencies shall be assigned to individual stations in conformity with the applicable provisions of Article 33 of the Radio Regulations of Atlantic City, 1947: *Provided further*, That the use of such of these frequencies as are below 4000 kc in Regions 1 and 3 is subject to the condition that interference shall not be caused to the service of any station(s) which, in the discretion of the Commission, may have priority on the frequency or frequencies used by the station(s) to which interference is caused:

2067.5	2073.75	2080
2068.75	2075	2081.25
2070	2076.25	2082.5
2071.25	2077.5	2085
2072.5	2078.75	2087.5

e. Add subparagraph (3) to read:

(3) Each of the specific frequencies in kilocycles designated in this subparagraph may be authorized as an assigned working frequency exclusively for use by ship stations (public or limited) on board cargo ships, when such stations employ telegraphy in accordance with the provisions of Subpart E of this part: *Provided*, That, subsequent to a specific date designated by the Commission, these frequencies shall be assigned to individual stations in conformity with the applicable provisions of Article 33 of the Radio Regulations of Atlantic City, 1947: *Provided, further*, That the use of such of these frequencies as are below 4000 kc in Regions 1 and 3 is subject to the condition that interference shall not be caused to the service of any station(s) which, in the discretion of the Commission, may have priority on the frequency or frequencies used by the station(s) to which interference is caused:

GROUP A

2094	2098.25	2102.5
2094.25	2098.5	2102.75
2094.5	2098.75	2103
2094.75	2099	2103.25
2095	2099.25	2103.5
2095.25	2099.5	2103.75
2095.5	2099.75	2104
2095.75	2100	2104.25
2096	2100.25	2104.5
2096.25	2100.5	2104.75
2096.5	2100.75	2105
2096.75	2101	2105.25
2097	2101.25	2105.5
2097.25	2101.5	2105.75
2097.5	2101.75	2106
2097.75	2102	
2098	2102.25	

In respect to paragraph 794 of the Atlantic City Radio Regulations, only the frequencies of Group A are sub-harmonically related to the cargo ship station working frequencies below 4000 kc designated herein; hence it is proposed to assign only one working frequency below 4000 kc to each cargo ship station.

f. Add subparagraph (4) to read:

(4) Each of the specific frequencies in kilocycles designated in this subparagraph may be authorized as an assigned calling frequency exclusively for use by ship stations (public or limited) when such stations employ telegraphy in accordance with the provisions of Subpart E of this part: *Provided*, That, subsequent to a specific date designated by the Commission, these frequencies shall be assigned to individual stations in conformity with the applicable provisions of Article 33 of the Radio Regulations of Atlantic City, 1947: *Provided further*, That the use of such of these frequencies as are below 4000 kc in Regions 1 and 3 is subject to the condition that interference shall not be caused to the service of any station(s) which, in the discretion of the Commission, may have priority in the frequency or frequencies used by the station(s) to which interference is caused.

2089	2090.5	2092
2089.5	2091	2092.5
2090	2091.5	2093

g. Subparagraph (5) is proposed to be inserted in other rule making proceedings pending before the Commission.

9. Section 8.321 (b) is amended by adding a new subparagraph (7) to read as follows:

(7) Pending clearance of the band 2035–2107 kc in accordance with the agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951), each of the assignable frequencies designated in paragraph (a), subparagraphs (2), (3) and (4) of this section within band 2065 to 2107 kc inclusive may be authorized for use by ship stations on a day only basis upon the express condition that harmful interference will not be caused to stations, either government or non-government, authorized as of (effective date of this rule amendment to be inserted) to operate on any frequency or frequencies within the band 2035–2107 kc.

10. Section 8.323 is amended by adding the following paragraph (e):

(e) In Region 2, the frequency 2091 kc is the international calling frequency for ship stations using telegraphy within the band 2065–2107 kc. It shall be used for call, reply and signals preparatory to traffic by all ship stations using telegraphy to establish communication with other ship stations operating in the band 2065–2107 kc or with coast stations using telegraphy and operating in the band 2000–2850 kc: *Provided*, That transmission by ship stations for this purpose on any calling frequency designated in § 8.321 (a) (4) within the band 2088.5–2093.5 kc is permissible as a practical operating procedure to minimize interference, in lieu of transmission on the frequency 2091 kc. The use of the frequency 2091 kc or any other calling frequency within the band 2088.5–2093.5 kc by ship stations for purposes other than those stipulated in this paragraph (except for transmitting distress traffic) is not authorized. A ship station, after establishing communication on a calling frequency within this band, shall change to an authorized working frequency for the transmission of traffic.

11. Section 8.324 (g) is amended as follows:

After the proviso in the last portion of the text, between "------ below 160 kc ------" and "------ the emission", insert the following: "and within the

bands 2000 to 2850 kc and 17000 to 25000 kc".

12. Section 8.105 is amended by adding a new paragraph (c) to read:

(c) Each ship station using, when in Region 2, telegraphy on frequencies within the band 2065 kc to 2107 kc shall be capable of transmitting and receiving class A1 emission on the radio channel of which 2091 kc is the assigned frequency and on at least one additional radio-channel within this band which is authorized for working: *Provided*, That an assignable calling frequency within the calling band 2088.5 kc to 2093.5 kc, designated in § 8.321 (a) (4), may be substituted for this purpose in lieu of the frequency 2091 kc.

13. Section 14.33 is amended by adding a new paragraph (c) to read:

(c) Working: 2052.5 kilocycles; A1 emission only, maximum authorized transmitter power 150 watts.[11a] [11b]

14. Section 14.54 is amended by adding a new paragraph (c) to read:

(c) For communication by means of telegraphy with coast stations in Alaska, when the coast station transmits on the frequency 2052.5 kilocycles, each ship station shall transmit by means of Class A1 emission only on one of its assigned frequencies within the band 2065–2107 kc exclusively, in accordance with the applicable provisions of Part 8 of the Rules of the Commission.[11b] When the ship station is within the territorial waters of Alaska, the maximum plate (anode) input power shall not exceed 150 watts when transmitting on a frequency within this band; this limitation shall apply without regard to the maximum power authorized to be used on such frequencies by the station license."

[F. R. Doc. 52-6385; Filed, June 10, 1952; 8:50 a. m.]

[11a] The term "authorized transmitter power" is defined to mean, when class A1 emission is employed, "the total plate input power to all electron tubes of the last radio stage of the transmitter which are used to supply radio-frequency power to the antenna:"

[11b] Pending clearance of the band 2035–2107 kc in accordance with the agreement concluded at the Extraordinary Administrative Radio Conference (Geneva 1951) the frequency 2052.5 kc and each of the assignable frequencies within the band 2065–2107 kc may be authorized for use on a day only basis upon the express condition that harmful interference will not be caused to stations, either government or non-government, authorized as of _____ to operate on any frequency or frequencies within the band 2035–2107 kc.

[47 CFR Part 8]

[Docket No. 10209]

Stations on Shipboard in the Maritime Services

Notice of Proposed Rule Making

In the matter of amendment of Part 8 of the Commission's rules regarding the assignment of calling frequencies to ship stations using telegraphy in the bands between 4000 and 23000 kc; Docket No. 10209.

1. Article 33 of the Atlantic City Radio Regulations provides that each ship station using telegraphy in bands between 4000 and 23000 kc shall be assigned a series of calling frequencies including one frequency in each of the bands in which the station is equipped to transmit. In the bands between 4000 and 18000 kc the frequencies assigned to each ship station must be in harmonious relationship. Certain spacing between calling frequencies is recommended. Appendix 10 to the regulations sets forth nine series of calling frequencies which are in accord with the foregoing. Article 33 further requires assignment of these calling frequency series in accordance with a "system of rotation so as to distribute these (calling) frequencies uniformly throughout the calling frequency bands." The Agreement concluded at the Extraordinary Administrative Radio Conference (Geneva, 1951) with respect to the ship radiotelegraph calling bands between 4000 and 23000 kc looks toward inauguration of use of these bands by the target date of June 3, 1953.

2. In order to use these calling frequencies, licensees will have to obtain special crystals. In the absence of any known plan by licensees to create a pool of such crystals, each licensee should be made aware by ample advance notice of the calling frequency series which may be assigned to his ship station so that he may have reasonable opportunity to procure crystals. A plan of assignment of the calling frequency series should, therefore, be finalized at the earliest opportunity.

3. Accordingly, notice is hereby given of rule making proceedings on the subject of a plan of assignment of calling frequencies to ship stations using telegraphy in the bands between 4000 and 23,000 kc. From the administrative standpoint, it appears that the most feasible plan of assignment is one which would assign each series of calling frequencies by call sign blocks as shown in the appendix attached hereto. The center calling frequencies represented by the series beginning with 4182 kc is not proposed to be made available for assignment at this time in view of paragraph 779 of the Atlantic City Radio Regulations which requires that this series "be reserved as far as possible for the use of aircraft desiring to communicate with stations of the maritime mobile service".

4. Interested persons may file with the Commission not later than June 30, 1952, written comments relating to the above-described subject. Comments in reply to original comments may be filed within 10 days from the last day for filing said original comments. The Commission will consider all such comments before taking action in this matter.

5. The Commission's authority to issue rules in this matter is contained in sections 303 (c), (f) and (r) of the Communications Act of 1934, as amended.

6. In accordance with the provisions of § 1.784 of the Commission's rules and regulations, an original and 14 copies of all statements, briefs, or comments shall be furnished the Commission.

Adopted: May 28, 1952.

Released: June 2, 1952.

Federal Communications Commission,

[SEAL] T. J. Slowie,
Secretary.

Appendix

Series	*Calling frequencies (kc)*
1	4178, 6267, 8356, 12534, 16712, 22225.
2	4179, 6268.5, 8358, 12537, 16716, 22230.
3	4180, 6270, 8360, 12540, 16720, 22235.
4	4181, 6271.5, 8362, 12543, 16724, 22240.
5	4183, 6274.5, 8366, 12549, 16732, 22250.
6	4184, 6276, 8368, 12552, 16736, 22255.
7	4185, 6277.5, 8370, 12555, 16740, 22260.
8	4186, 6279, 8372, 12558, 16744, 22265.

Call sign block:	*Calling Frequency series*
KAAA through KAZZ	1
KBAA through KBZZ	2
KCAA through KCZZ	3
KDAA through KDZZ	4
KE	5
KF	6
KG	7
KG	8
KI	1
KJ	2
KKAA through KKPZ	3
KKQA–KKZZ	4
KLAA–KLZZ	5
KMAA–KMLZ	6
KMMA–KMZZ	7
KNAA–KNZZ	8
KO	1
KP, etc.	2, etc. in rotation
WAAA through WAZZ	1
WBAA through WBZZ, etc.	2, etc. in rotation

[F. R. Doc. 52-6382; Filed, June 10, 1952; 8:49 a. m.]

NOTICES

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

CHAIRMEN AND ACTING CHAIRMEN OF PMA COUNTY COMMITTEES

DELEGATION OF AUTHORITY AS CONTRACTING OFFICERS

Pursuant to the authority conferred upon me by the bylaws of Commodity Credit Corporation (14 F. R. 7689), I hereby appoint the chairman, or in his absence the acting chairman, of each Production and Marketing Administration County Committee a contracting officer, within the county of his jurisdiction, for the purpose of executing, administering, and terminating, on behalf of Commodity Credit Corporation, lending agency agreements with private lending agencies.

The foregoing authority as a contracting officer shall be exercised in accordance with instructions which shall be issued by the appropriate Vice President of Commodity Credit Corporation and which shall be available for public inspection in the files of the Production and Marketing Administration county offices.

This authority may not be redelegated.

Issued this 4th day of June 1952.

[SEAL] G. F. GEISSLER,
President,
Commodity Credit Corporation.

[F. R. Doc. 52-6411; Filed, June 10, 1952; 8:56 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

WISCONSIN

NOTICE OF FILING OF PLAT OF SURVEY

JUNE 5, 1952.

Notice is given that the plat of dependent resurvey and extension survey of the following described lands, accepted April 16, 1951, will be officially filed in the Bureau of Land Management effective at 10:00 a. m. on the 35th day after the date of this notice:

4TH PRINCIPAL MERIDIAN, WISCONSIN

T. 39 N., R. 9 E.
Sec. 29, lots 7, 8, 9, 10.

The area described aggregates 101.16 acres.

This plat represents (1) retracement and reestablishment of the boundaries of sec. 29, T. 39 N., R. 9 E., 4th P. M., Wisconsin, as shown upon the plat approved June 9, 1864, and (2) extension survey including lands erroneously omitted from the original survey of the township and not shown upon the plat approved June 9, 1864.

Available information indicates that all of the above described lands are over 50 percent upland, with an elevation up to 25 feet above the lake level with some swamp on the east and west ends and that the soil is a sandy loam.

No applications for the described lands may be allowed under the homestead or small tract laws unless the lands have already been classified as valuable or suitable for such application or shall be so classified upon consideration of an application.

At the hour and date specified above the said lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, or selection as follows:

(a) *Ninety-one day period for preference-right filings.* For a period of 91 days, commencing at the hour and on the day specified above, the public lands affected by this notice shall be subject only to (1) application under the homestead or the Small Tract Act of June 1, 1938, 52 Stat. 609 (43 U. S. C. 682a), as amended, by qualified veterans of World War II and other qualified persons entitled to preference under the act of September 27, 1944, 58 Stat. 747 (43 U. S. C. 279–284), as amended, subject to the requirements of applicable law, and (2) application under any applicable public-land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications under subdivision (1) of this paragraph shall be subject to applications and claims of the classes described in subdivision (2) of this paragraph. All applications filed under this paragraph either at or before 10:00 a. m. on the 35th day after the date of this notice shall be treated as though filed simultaneously at that time. All applications filed under this paragraph after 10:00 a. m. on the said 35th day shall be considered in the order of filing.

(b) *Date for non-preference-right filings.* Commencing at 10:00 a. m. on the 126th day after the date of this notice, any lands remaining unappropriated shall become subject to such application, petition, location, selection, or other appropriation by the public generally as may be authorized by the public-land laws. All such applications filed either at or before 10:00 a. m. on the 126th day after the date of this notice, shall be treated as though filed simultaneously at the hour specified on such 126th day. All applications filed thereafter shall be considered in the order of filing.

A veteran shall accompany his application with a complete photostatic, or other copy (both sides), of his certificate of honorable discharge, or of an official document of his branch of the service which shows clearly his honorable discharge as defined in §181.36 of Title 43 of the Code of Federal Regulations, or constitutes evidence of other facts upon which the claim for preference is based and which shows clearly the period of service. Other persons claiming credit for service of veterans must furnish like proof in support of their claims. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated statements in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the Bureau of Land Management, Washington 25, D. C., shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations and Part 296 of that title, to the extent that such regulations are applicable. Applications under the homestead laws shall be governed by the regulations contained in Parts 166 to 170, inclusive, of Title 43 of the Code of Federal Regulations, and applications under the Small Tract Act of June 1, 1938, shall be governed by the regulations contained in Part 257, of that title.

Inquiries concerning these lands shall be addressed to Regional Adiminstrator, Bureau of Land Management, Region VI, Department of the Interior, Washington 25, D. C.

H. S. PRICE,
Regional Administrator, Region VI.

[F. R. Doc. 52-6372; Filed, June 10, 1952; 8:45 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

[No. S-17 (Sub-No. 1), No. S-33]

AMERICAN PRESIDENT LINES, LTD.

NOTICE OF POSTPONEMENT OF PREHEARING CONFERENCE

No. S-17 (Sub-No. 1), American President Lines, Ltd.; application for extension of existing authorization to operate Atlantic-Straits Freight Service C-2 (modified), Trade Route No. 17, without operating-differential subsidy; and No. S-33, American President Lines, Ltd.; application for operating-differential subsidy (Freight Service C-2, Trade Route No. 17) under Title VI, Merchant Marine Act, 1936.

By notice appearing in the FEDERAL REGISTER of June 5, 1952, the Board announced that a prehearing conference in these proceedings would be held at Washington, D. C., on June 17, 1952, at 10 o'clock a. m., e. d. s. t., in Room 4823, Department of Commerce Building, before Examiner C. W. Robinson, upon an application of American President Lines, Ltd., dated January 28, 1952, for extension of existing authority to operate Atlantic-Straits Freight Service C-2 (modified), Trade Route No. 17, and for modification of the authorization made in Docket No. S-17; and upon an application of American President Lines, Ltd., dated January 29, 1952, for financial aid in the operation of freight vessels in the foreign commerce of the United States on Trade Route No. 17, Freight Service C-2.

Notice is hereby given that the prehearing conference scheduled in these proceedings for June 17, 1952, is hereby postponed to June 25, 1952, at the same hour and place.

Dated: June 5, 1952.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS, *Secretary.*

[F. R. Doc. 52-6397; Filed, June 10, 1952; 8:52 a. m.]

Office of the Secretary

[Order 2 Under E. O. 10340]

TERMINATION OF GOVERNMENT POSSESSION AND OPERATION OF PLANTS AND FACILITIES OF CERTAIN STEEL COMPANIES

In accordance with instructions from the President of the United States, I hereby terminate my possession and operation of the plants, facilities and other properties of which I took possession by Order No. 1 of April 8, 1952 (17 F. R. 3242) and which I have not heretofore released by separate letter.

All instructions heretofore issued and appointments heretofore made by me are withdrawn.

This order shall be effective as of 3:30 p. m., June 2, 1952.

[SEAL] CHARLES SAWYER, *Secretary of Commerce.*

JUNE 6, 1952.

[F. R. Doc. 52-6448; Filed, June 9, 1952; 4:13 p. m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 9552]

THEATRE TELEVISION SERVICE

ORDER RESCHEDULING HEARING

In the matter of allocation of frequencies and promulgation of rules and regulations for a Theater Television Service.

At a session of the Federal Communications Commission, held at its offices in Washington, D. C., on the 28th day of May 1952;

The Commission having under consideration its order herein of April 4, 1952, released April 7, 1952, which indefinitely postponed the hearing in the above-entitled proceeding; and

It appearing, that the Commission is now able to re-schedule this hearing and that, in view of the postponements herein, parties may wish to amend their statements setting forth their lists of witnesses and subjects of testimony and that additional persons may wish to file appearances in this proceeding;

It is ordered, That persons who have not previously filed appearances may do so on or before November 14, 1952, and that persons so filing appearances shall, on or before December 1, 1952, file with the Commission a statement setting forth a list of their witnesses who will testify at the hearing together with the subjects with respect to which testimony will be adduced and evidence offered and that parties who have heretofore filed such statements may file additional statements on or before the latter date; and

It is further ordered, That the hearing herein will be held before the Commission en banc commencing on January 12, 1952, at 10:00 a. m. in Washington, D. C. (at a place to be designated by a subsequent notice.)

Released: June 3, 1952.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] T. J. SLOWIE, *Secretary.*

[F. R. Doc. 52-6389; Filed, June 10, 1952; 8:52 a. m.]

[Docket No. 10205]

LAMPASAS BROADCASTING CORP. (KHIT)

ORDER DESIGNATING APPLICATION FOR HEARING ON STATED ISSUES

In re application of Lampasas Broadcasting Corp. (KHIT), Lampasas, Texas, for renewal of license of station KHIT, Docket No. 10205, File No. BR-2057.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 28th day of May 1952:

The Commission having under consideration the above-entitled application for renewal of license of broadcast station KHIT, Lampasas, Texas; and

It appearing, that Lampasas Broadcasting Corporation has failed to submit a required amendment to the said application despite repeated requests of the Commission; and

It further appearing, that Lampasas Broadcasting Corporation has failed to submit the reports required under §§ 1.341 and 1.342 of the Commission's rules for the year ending December 31, 1951; and

It further appearing, that the Commission is uable to determine in view of the above considerations, that a grant of the subject application would be in the public interest;

It is ordered, That, pursuant to section 309 (a) of the Communications Act of 1934, as amended, the above-entitled application is designated for hearing at a time and place to be specified by subsequent order of the Commission upon the following issues:

1. To determine whether, as of May 27, 1952, the licensee of station KHIT, Lampasas Broadcasting Corporation, had failed to file any documents, reports, records, contracts, or other matter required under the Commission's rules and standards or had failed to respond to Commission correspondence, and if so, whether such documents, reports, records, contracts or other matter was subsequently filed.

2. To determine whether, in view of the facts adduced under the foregoing issue, public interest, convenience or necessity would be served by a grant of the above-entitled application for renewal of license of station KHIT.

It is further ordered, That a temporary extension of license for operation of station KHIT until conclusion of this proceeding or until August 1, 1953, whichever is the earlier, is granted.

Released: June 3, 1952.

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] T. J. SLOWIE, *Secretary.*

[F. R. Doc. 52-6387; Filed, June 10, 1952; 8:51 a. m.]

[Docket No. 10208]

NORTHWESTERN BELL TELEPHONE CO.

ORDER DESIGNATING APPLICATION FOR HEARING ON STATED ISSUES

In the matter of the application of Northwestern Bell Telephone Company for a certificate under section 221 (a) of the Communications Act of 1934, as amended, to acquire certain telephone plant and property of the Western Telephone Company; Docket No. 10208, File No. P-C-2871.

At a session of the Federal Communications Commission, held at its offices in Washington, D. C. on the 28th day of May 1952;

The Commission having under consideration an application filed by Northwestern Bell Telephone Company for a certificate under section 221 (a) of the Communications Act of 1934, as amended, that the proposed acquisition by Northwestern Bell Telephone Company of certain telephone plant and property of the Western Telephone Company, located in Breckenridge, Wilkin County, Minnesota, will be of advantage to persons to whom service is to be rendered and in the public interest;

It is ordered, That pursuant to the provisions of section 221 (a) of the Communications Act of 1934, as amended, the above application is assigned for public hearing for the purpose of determining whether the proposed acquisition will be of advantage to persons to whom service is to be rendered and in the public interest;

It is further ordered, That the hearing upon the said application be held at the offices of the Commission in Washington, D. C., beginning at 10:00 a. m. on the 12th day of June, 1952, and that a copy of this order shall be served on Northwestern Bell Telephone Company, the Western Telephone Company, the Governor of Minnesota, the Minnesota Railroad and Warehouse Commission, and the Postmasters of Breckenridge, Minnesota and Wahpeton, North Dakota;

It is further ordered, That within five days after the receipt from the Commission of a copy of this order, the applicant herein shall cause a copy hereof to be published in a newspaper or newspapers having general circulation in Breckenridge, Wilkin County, Minnesota and Wahpeton, North Dakota, and shall

furnish proof of such publication at the hearing herein.

Released: May 29, 1952.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

[F. R. Doc. 52-6388; Filed, June 10, 1952; 8:51 a. m.

CIVIL AERONAUTICS BOARD

[Docket No. 2539 et al.]

NORTHWEST AIRLINES, INC., TEMPORARY MAIL RATE IN TRANS-PACIFIC OPERATIONS

NOTICE OF POSTPONEMENT OF HEARING

In the matter of the compensation from the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, of Northwest Airlines, Inc., in its Trans-Pacific operations, for the period beginning January 1, 1952.

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that hearing on the Order to Show Cause, E-6077, in the above-entitled proceeding is hereby postponed from June 9, to June 18, 1952, at 10:00 a. m., e. d. t. in Room E-210, Temporary Building No. 5, Sixteenth Street and Constitution Avenue NW., Washington, D. C., before Examiner Walter W. Bryan.

Dated at Washington, D. C., June 6, 1952.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 52-6417; Filed, June 9, 1952; 5:12 p. m.]

[Docket No. 5422]

NORTH ATLANTIC TOURIST COMMISSIONS

NOTICE OF ORAL ARGUMENT

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that oral argument in the above-entitled proceeding is assigned to be held on June 24, 1952, at 10:00 a. m., d. s. t., in Room 5042, Commerce Building, Constitution Avenue, between Fourteenth and Fifteenth Streets NW., Washington, D. C., before the Board.

Dated at Washington, D. C., June 6, 1952.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F. R. Doc. 52-6399; Filed, June 10, 1952; 8:53 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-934]

CITIES SERVICE GAS CO.

NOTICE OF APPLICATION

JUNE 5, 1952.

Take notice that on May 16, 1952, Cities Service Gas Company (Applicant), a Delaware corporation with its principal office in Oklahoma City, Oklahoma, filed pursuant to section 7 of the Natural Gas Act, an application for modification of a certificate of public convenience and necessity issued November 10, 1947, authorizing facilities for the sale and delivery of natural gas to Commercial Gas Pipeline Company (Commercial) at a point near the Southwest corner of Southwest Quarter of Section 12, Township 26 South, Range 24 East, Bourbon County, Kansas.

Applicant states it has entered into (1) a new contract with Commercial, dated February 29, 1952, and (2) a contract with Southeastern Kansas Gas Company, Inc. (Southeastern), dated March 3, 1952, for the purpose of continuing service to Commercial as to those facilities retained by it, and to provide service to Southeastern as to those facilities to be acquired by it from Commercial.

The application recites Applicant has been informed Commercial has sold certain of its facilities to Southeastern subject to approval of regulatory authorities.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 25th day of June 1952. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 52-6375; Filed, June 10, 1952; 8:46 a. m.]

[Docket No. G-1962]

EL PASO NATURAL GAS CO.

NOTICE OF APPLICATION

JUNE 5, 1952.

Take notice that El Paso Natural Gas Company (Applicant), a Delaware corporation, address 1010 Bassett Tower, El Paso, Texas, filed on May 27, 1952, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act authorizing the construction and operation of certain transmission pipe-line facilities hereinafter described.

Applicant proposes to transport natural gas for sale to I. M. Clausen, dba Magma Natural Gas Company and for such purpose to construct and operate a positive meter station to be located on Applicant's existing six inch superior pipeline in Pinal County, Arizona. Through said facilities approximately 400 Mcf of natural gas will be delivered on a peak day and 61,800 Mcf of natural gas will be delivered annually to I. M. Clausen, this gas to be used for irrigation purposes in the general farming area presently served by him.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 25th day of June 1952. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 52-6376; Filed, June 10, 1952; 8:47 a. m.]

[Docket No. G-1963]

EL PASO NATURAL GAS CO.

NOTICE OF APPLICATION

JUNE 5, 1952.

Take notice that El Paso Natural Gas Company (Applicant), a Delaware corporation, address 1010 Bassett Tower, El Paso, Texas, filed on May 27, 1952, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act authorizing the construction and operation of certain transmission pipeline facilities hereinafter described.

Applicant proposes to transport natural gas for sale to Arizona Public Service Company and for such purpose to install and operate a mainline tap to be located on Applicant's existing 26-inch California pipeline in Yuma County, Arizona. Through said facilities approximately 3 Mcf of natural gas will be delivered on a peak day and 420 Mcf of natural gas will be delivered annually to Arizona Public Service Company for service to the Arizona Highway Department Inspection Station at Ehrenberg, Arizona.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 25th day of June 1952. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 52-6377; Filed, June 10, 1952; 8:47 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File Nos. 59-98, 54-198]

INVESTMENT BOND AND SHARE CORP. ET AL.

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE REGARDING PROXY SOLICITATION

JUNE 5, 1952.

In the matter of Investment Bond and Share Corporation, and its subsidiaries, and William J. Walsh, Edwin Joseph Small, John F. Baker, George M. Baker, Catherine E. Baker, Katherine M. Baker, John T. Walsh, William F. Walsh, Janice G. Walsh, Anne W. Small, Edwin W. Small, Barbara S. Johnson, Wallace D. Johnson, and Baker, Walsh & Co., Respondents, File No. 59-98, and Investment Bond and Share Corporation, and its subsidiaries, File No. 54-198.

Jacksonville Gas Corporation ("Jacksonville"), a public utility subsidiary of Investment Bond and Share Corporation ("Investment Bond and Share"), a reg-

istered holding company, having filed a declaration under the Public Utility Holding Company Act of 1935 ("act") regarding a proxy solicitation of the company's common stockholders and having designated section 12 (c) of the act and Rule U-62 promulgated thereunder as being applicable thereto;

Said solicitation being proposed to be made in connection with the liquidation plan of Investment Bond and Share now pending before the Commission filed under section 11(e) of the act and for the purpose of obtaining proxies relating to the sale by Investment Bond and Share of certain shares of the common stock of Jacksonville to Jacksonville and to the election of a Board of Directors for Jacksonville; and

The Commission having examined said declaration, and the Notice of Meeting and the Proxy Statement proposed to be mailed to the Jacksonville stockholders and it appearing that the standards of the applicable provisions of the act and rules thereunder are satisfied, and it appearing that said declaration should be permitted to become effective, forthwith:

It is ordered, That such declaration be permitted to become effective, forthwith.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 52-6379; Filed, June 10, 1952; 8:47 a. m.]

[File No. 70-2882]

PUBLIC SERVICE CO. OF NEW HAMPSHIRE

NOTICE OF PROPOSED SALE AT COMPETITIVE BIDDING OF SHARES OF ADDITIONAL PREFERRED STOCK

JUNE 5, 1952.

Notice is hereby given that Public Service Company of New Hampshire ("Public Service"), a subsidiary company of New England Public Service Company, a registered holding company, which in turn is a subsidiary company of Northern New England Company, also a registered holding company, has filed an application pursuant to section 6(b) of the Public Utility Holding Company Act of 1935 and Rules U-20 U-22, U-23, U-24, and U-50 thereunder with respect to the following proposed transaction:

Public Service proposes to issue and sell, 50,000 shares of its cumulative ____ percent preferred stock, $100 par value, pursuant to the competitive bidding requirements of Rule U-50. The dividend rate and the price per share to be paid to the company (to be not less than $100 per share nor more than $102.75 per share) are to be determined by the competitive bidding. The filing requests that the ten-day period for inviting bids, as provided in Rule U-50, be shortened to a period of not less than six days.

It is stated in the filing that during the year 1952 the company contemplates the expenditure for its construction program of about $12,124,000 and that the net proceeds from the sale of the preferred stock will be used to provide a portion of the funds required for the company's construction program.

The filing states that applications for approval of the proposed sale of preferred stock have been filed with the New Hampshire Public Utilities Commission and the Vermont Public Service Commission.

Public Service requests that the Commission's order herein become effective forthwith upon issuance.

Notice is further given that any interested person may, not later than June 16, 1952, at 12:30 p. m. e. d. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reason or reasons for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time thereafter, the application, as filed or as amended, may be granted as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transaction as provided in Rules U-20 and U-100 thereof.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 52-6378; Filed, June 10, 1952; 8:47 a. m.]

[File No. 70-2883]

DUQUESNE LIGHT CO.

NOTICE OF FILING REGARDING ISSUANCE OF FOUR-MONTH BANK LOAN NOTE

JUNE 5, 1952.

Notice is hereby given that a declaration has been filed with this Commission by Duquesne Light Company ("Duquesne"), a public utility subsidiary of Philadelphia Company, a registered holding company. Declarant has designated sections 6 (a) and 7 of the act and Rule U-23 promulgated thereunder as applicable to the proposed transaction, which is summarized as follows:

Duquesne presently has outstanding a $9,725,000 3 percent promissory bank loan note due January 2, 1953 and intends in the immediate future to make an additional short-term bank borrowing of $85,000 under the exemption asserted to be available to it, pursuant to section 6 (b) of the act, whereupon its short-term bank loan indebtedness will aggregate $9,810,000. Duquesne proposes in the instant declaration to issue a $5,000,000 four-month note bearing interest at 3 percent per annum, such note to be issued to Mellon National Bank and Trust Company of Pittsburgh, Pennsylvania. Duquesne will have the right to prepay such note at any time prior to maturity, without premium. The company proposes to use the proceeds from such note to defray part of the cost of its current construction program involving an estimated total cost of about $30,000,000 for the year 1952. The company has expressed its intention to pay off all outstanding short-term notes with the proceeds expected to be derived from a permanent financing program now being formulated. It is stated that no fees or expenses will be incurred in connection with the proposed $5,000,000 borrowing, other than estimated miscellaneous expenses not exceeding $100.

Declarant states that no State Commission has jurisdiction over the proposed transaction and has requested that the transaction be authorized pursuant to the procedure of Rule U-23, without a hearing, and that the Commission's order herein become effective upon issuance.

Notice is further given that any interested person may, not later than June 13, 1952, at 1:30 p. m., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest and the issues of fact or law raised by said declaration which he desires to controvert or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time thereafter said declaration, as filed or as amended, may be permitted to become effective as provided in Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rule U-20 (a) and Rule U-100 thereof.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 52-6380; Filed, June 10, 1952; 8:48 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

VITTORIO MANCI GUBBIO AND MRS. ANNA (MANCI) PASSERI GUBBIO

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of the publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Vittorio Manci Gubbio, Province of Perugia, Italy; Claim No. 36218, $745.86 in the Treasury of the United States.

Mrs. Anna (Manci) Passeri Gubbio, Province of Perugia, Italy; Claim No. 36218, $745.86 in the Treasury of the United States.

Executed at Washington, D. C., on June 5, 1952.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON, *Assistant Attorney General, Director, Office of Alien Property.*

[F. R. Doc. 52-6407; Filed, June 10, 1952; 8:55 a. m.]

JACQUES DE LASSUS ST. GENIES

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property

Jacques de Lassus St. Genies, Versailles, France; Claim No. 41471, property described in Vesting Order No. 666 (8 F. R. 5047, April 17, 1943) relating to United States Letters Patent Nos. 2,105,797; 2,106,933; 2,131,974; 2,135,396; 2,136,327; 2,139,855; 2,154,868; 2,188,019; 2,202,354; 2,202,355; 2,235,206; 2,258,164 and 2,258,558; property described in Vesting Order No. 293 (7 F. R. 9836, November 26, 1942) relating to United States Patent Application Serial Nos. 318,344 (now United States Letters Patent No. 2,352,864) and 339,812 (now United States Letters Patent No. 2,351,019) and 527,936 filed by the Alien Property Custodian as a division of Serial No. 339,812.

Executed at Washington, D. C., on June 5, 1952.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 52-6408; Filed, June 10, 1952; 8:55 a. m.]